

COUNCIL MEETING

NOVEMBER 4, 2015

The Council Meeting of the Council of the County of Kaua'i was called to order by Council Chair Mel Rapozo at the Council Chambers, 4396 Rice Street, Suite 201, Līhu'e, Kaua'i, on Wednesday, November 4, 2015 at 8:31 a.m., after which the following Members answered the call of the roll:

Honorable Mason K. Chock
Honorable Gary L. Hooser (*present at 8:38 a.m.*)
Honorable Ross Kagawa (*excused at 2:39 p.m.*)
Honorable Arryl Kaneshiro
Honorable KipuKai Kuali'i (*present at 8:34 a.m.*)
Honorable JoAnn A. Yukimura
Honorable Mel Rapozo

APPROVAL OF AGENDA.

Councilmember Kagawa moved for approval of the agenda as circulated, seconded by Councilmember Kaneshiro, and carried by a vote of 5:0:2 (*Councilmembers Hooser and Kuali'i were excused*).

Council Chair Rapozo: Motion carried. Next item, please.

SCOTT K. SATO, Deputy County Clerk: Next item is the Consent Calendar. We have one (1) item.

CONSENT CALENDAR:

C 2015-272 Communication (10/19/2015) from Councilmember Yukimura, providing written disclosure of a possible conflict of interest and recusal, relating to C 2015-266, a request for approval of the License Agreement between the County of Kaua'i and the Boys & Girls Club of Hawai'i, for three (3) portables and a portion of the grounds immediately surrounding the portables located at the Kaua'i War Memorial Convention Hall in Līhu'e, as she is on the Kaua'i Advisory Board for the Boys & Girls Club of Hawai'i: Councilmember Kagawa moved to receive C 2015-272 for the record, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Any discussion? Public testimony?

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

The motion to receive C 2015-272 was then put, and carried by a vote of 5:0:2 (*Councilmembers Hooser and Kuali'i were excused*).

Council Chair Rapozo: Motion carried. Next item, please.

Mr. Sato: Next item is "E" Communications.

COMMUNICATIONS:

C 2015-263 Communication (10/02/2015) from the Assistant Chief Procurement Officer/Budget Chief, requesting Council approval to dispose of Procurement Work Folders (RFP (C4056)) and (IFB (#2872 - #2936)); Professional Services Regular (4-PROF-06/07, 1-PROF-07/08 thru 12-PROF-07/08); Professional Services Exempt (X7-PROF-05/06 thru X8-PROF-07/08); Sole Source Procurement documentation (Fiscal Year 2005-2008); Exempt Procurement documentation (Fiscal Year 2004-2008); Emergency Purchase documentation (Fiscal Year 2005-2008); Auction (SA-1-06 thru SA-3-07); and State Price Lists; pursuant to Section 46-43, Hawai'i Revised Statutes and Resolution No. 2008-39 (2008) as amended, which has been kept for over seven (7) years and are no longer of use or value. Councilmember Kaneshiro moved to approve C 2015-263, seconded by Councilmember Kagawa.

(Councilmember Kualii was noted as present.)

Council Chair Rapozo: Discussion? Councilmember Kagawa.

Councilmember Kagawa: Yes. I know at the last meeting some Councilmembers had some questions as to whether or not we should continue with the disposal. If we were going to spend a lot of time, I was wondering if the Council would like to just hold it off, Councilmember Hooser had some questions on this item, and do the Prosecuting Attorney's items first so we can get them back to their jobs.

Council Chair Rapozo: Yes. I had the questions. I am not sure. I do not know if we got any response. Did we send something across? Anyway, we can have the discussion. My question was, are we keeping an electronic file of these records somewhere in some cloud, some hard drive, or some place because I believe it is important to keep. We were informed that was not being done. When it comes down to procurement financial documents, in fact all documents, personnel documents, whatever documents, there should always be a copy somewhere whether it is digital. Anyway, we can have the discussion. I do want to entertain Councilmember Kagawa's request. Real quick before we go into discussion on that item, on item C 2015-275, which is the Prosecuting Attorney's request for Federal funds for the Domestic Violence Prosecution Unit, are there going to be any questions for that? There will be? Okay. Let us do that, because I know the Prosecutor, when he comes here dressed up looking like that, that means he probably has court. So, I want to get him out of here as soon as possible. If there is no objection, let us table this for now. Staff, can we go to C 2015-275, please?

There being no objections, C 2015-275 was taken out of order.

Mr. Sato: We are in the middle of page 2.

C 2015-275 Communication (10/20/2015) from the Prosecuting Attorney, requesting Council approval to receive and expend Federal funds for the Services-Training-Officers-Prosecutors (STOP) Violence Against Women Formula Grant in the amount of \$48,595, which will be used for salaries/wages and supplies for the Domestic Violence Prosecution Unit, and approval to indemnify the State of Hawai'i, Department of the Attorney General, for the period of January 1, 2016 through November 30, 2016: Councilmember Kagawa moved to approve C 2015-275, seconded by Councilmember Kaneshiro.

There being no objections, the rules were suspended.

Council Chair Rapozo: If you could just identify yourself, and we can go to questions.

JUSTIN F. KOLLAR, County Prosecuting Attorney: Sure. Justin Kollar, Prosecuting Attorney.

Council Chair Rapozo: Thank you.

Mr. Kollar: Thank you.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: Yes, thank you.

Mr. Kollar: Good morning.

Councilmember Yukimura: Good morning. I know this is a recurring grant, but I thought it would be helpful if this body and the public knows what your targeted outcomes are.

Mr. Kollar: Yes, the targeted outcomes for this project are to ensure that police reports we receive concerning domestic violence cases, that we screen them and evaluate for charging within thirty (30) days of receipt, which is a target that has been one of the targets every year. It is a target we routinely do meet. And then to achieve a conviction rate of seventy-five percent (75%), which is something we also routinely do hit on an annual basis. So, those are the outcomes that we are looking for.

Councilmember Yukimura: Thank you. I appreciate that they are measurable and specific. In the thirty (30) days, that is a pretty fast timetable from arrest to screening, right?

Mr. Kollar: Right. We recognize that these cases need to be acted on quickly; therefore, we prioritize them and get them through the system as quickly as we can. It really helps when we have good people like Gina Kaulukukui at Kaua'i Police Department (KPD) to work with. She is really an asset in terms of helping us get what we need to make our charging decisions, and then work with our victim witness people to get in contact with the victims and decided what we are going to do and how we are going to move forward.

Councilmember Yukimura: Okay.

Mr. Kollar: It is a priority for us.

Councilmember Yukimura: Thank you.

Mr. Kollar: Yes. Thank you.

Council Chair Rapozo: Thank you. Any other questions? If not, that you very much.

Mr. Kollar: Thank you.

Council Chair Rapozo: Anybody in the audience wishing to testify?

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Further discussion?

The motion to approve C 2015-275 was then put, and carried by a vote of 6:0:1 (*Councilmember Hooser was excused*).

Council Chair Rapozo: Motion carried. Thank you. We will await Councilmember Hooser's arrival before we go back to C 2015-263 because I know he had some questions. Can we go to C 2015-273, please?

Mr. Sato: We are on the top of page 2.

C 2015-273 Communication (08/27/2015) from the Chief of Police, transmitting for Council consideration, a proposed draft Bill to appropriate Criminal Assets Forfeiture funds in the amount of \$300,000 for the Kaua'i Police Department, to purchase and erect a new Kaua'i Police Activities League (KPAL) Youth Center, which will also double as an interim training facility for the Kaua'i Police Department, and to also purchase equipment for the new facility. (*Kaua'i Police Department, KPAL Youth Center/Interim KPD Training Facility – \$300,000.00*): Councilmember Kagawa moved to receive C 2015-273 for the record, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Any discussion? Public testimony?

(*Councilmember Hooser was noted as present.*)

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

The motion to receive C 2015-273 for the record was then put, and unanimously carried.

Council Chair Rapozo: Motion carried. Let us do C 2015-274 really quick, the Communication, and then we will go back. Councilmember Hooser can get settled.

C 2015-274 Communication (10/19/2015) from Councilmember Kuali'i, transmitting for Council consideration, a proposal to establish barking dog nuisance regulations: Councilmember Kuali'i moved to receive C 2015-274 for the record, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Thank you. Any discussion or public testimony?

There being no objections, the rules were suspended to take public testimony.

Council Chair Rapozo: The Bill will be coming up later in the day.

ALICE PARKER: Okay, I will wait until later.

Council Chair Rapozo: No.

Ms. Parker: You know I am for it. Yay.

Council Chair Rapozo: Please go ahead and testify.

Ms. Parker: Alice Parker.

Council Chair Rapozo: Okay. Let the record reflect that she is in support of it.

There being no one further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: Yes. I just want to say that I do have a copy of an annotated bill that shows the exact changes for people who want to track exactly what the changes are. They are available at the desk if anybody wants to see that.

Council Chair Rapozo: Thank you very much. Any further discussion?

The motion to receive C 2015-274 for the record was then put, and unanimously carried.

Council Chair Rapozo: Motion carried. Let us go back to C 2015-263, please.

Mr. Sato: This is C 2015-263, the Communication from the Assistant Chief Procurement Officer, requesting Council approval to dispose of procurement files.

Council Chair Rapozo: Okay. There was a motion, I believe, and I am trying to follow-up on if we had taken any action after the last discussion we had. At the last meeting, this item obviously was deferred, and it is regarding a request which the Charter requires Council approval to destroy any records. The question at the last meeting was asked whether or not the County keeps a permanent file digitally or electronically, and we were told that they were not. There was some concern by the Councilmembers and that is why we are here today. With that, I will suspend the rules and ask Mr. Barreira to come up please.

There being no objections, the rules were suspended.

ERNEST W. BARREIRA, Assistant Chief Procurement Officer/Budget Chief:
Good morning Chair and members of the Council, Ernie Barreira, Budget and Purchasing Chief.

Council Chair Rapozo: Any questions? Councilmember Kagawa.

Councilmember Kagawa: Thank you. Along the lines of what Council Chair Rapozo has suggested, but I guess we do not keep cloud records or what have you, of these documents that we are wanting to dispose of. Has the Finance Director/Department considered the fact that there may be an audit done that would, I guess, require looking back as we see some issues or problems going back in time

and only to find out that we disposed of it, and Council, you authorized it? Has there been any thought in that area?

Mr. Barreira: Yes, Vice Chair. The audit that is conducted every year, and that is a routine financial audit, it looks heavily upon our contract files. In fact, when the Auditor comes in, we provide an electronic scan document for all of the contractual filing information that they require. The work files are administrative. They are used to comprise the actual procurement activity that led up to the execution of the contract and the actual acquisition of the good service or construction that was purchased. So, the Auditor relies heavily upon the contract files as opposed to the administrative files.

Councilmember Kagawa: Are you saying that you rely on the County financial audits, I guess, findings and completions of testing? They do random tests on files.

Mr. Barreira: Yes.

Councilmember Kagawa: ...as sampling is part of their audit. So, you rely on that, and therefore, you feel like the risk of us disposing of documents that could, I guess, prove as evidence for whatever our County Auditor is looking for is relatively low?

Mr. Barreira: It is relatively low, coupled with the testimony provided by the County Attorney in terms of legal relevance of the documents that are on this list that are being requested for destruction. The Auditor comes in and requests forty (40). I think they do a forty (40) sampling of contract folders and we provide that routinely every year. The Auditor does not come in and go back and look at files that had existed in many years prior, other with a few exceptions in terms of the disbursement audit that is conducted. But then again, it would not be work documents, or administrative documents. It would be contractual documents.

Councilmember Kagawa: I guess I was looking more at if we had our County Auditor, and I cannot think of a hypothetical audit, but if the County Auditor was to look back at the recent years and then find that there is a problem and wanting to go back beyond the seven (7) years, have you considered that we would potentially not have the information that the County Auditor is wanting because we have thrown it away?

Mr. Barreira: Yes. All I can tell you, Vice Chair, is I have not really considered that only because that has never been called on to us. The County Auditor, since its inception, has looked at some pretty significant audit issues, nothing having to do with these types of administrative records.

Councilmember Kagawa: So nothing? So, for all of the years that the County Auditor has been in place, they have never requested something that we have disposed of seven (7) years prior?

Mr. Barreira: Not from my Division, no sir. There have been many requests for destruction of records that have come by previously that have been approved by this body.

Councilmember Kagawa: Thank you. Thank you, Chair.

Council Chair Rapozo: Thank you. Any other questions? I guess I have a question. That is one (1) aspect of it, the County Auditor's need for it. But I guess for me, the bigger concern is if something is detected and there is a pattern and it spans back many years. The investigation would only be limited to the documents we have on file. I mean, we scan a lot of documents. I mean, I know we do here whether it is a legal requirement or not, we scan it because I think it is just good to have. Again, I think I brought it up at the last meeting where I was working on a case file with our Legal Analyst Peter Morimoto, and was kind of disturbed to find out that building permit files were destroyed and there is no backup. How do you complete an investigation? I know this does not affect your Department, but I think it is just the concept of securing whatever we can now that the technology is available to provide electronic copies of these files, especially procurement. I know in your response, which I just got it right now. This was submitted yesterday. I just see it right now. There are some reference to the helicopter, but I am not talking specifically to any specific contract or procurement. I mean, I think it is in general. If there is an issue that warrants a look back. I do not think it is appropriate to throw away anything except the hard copy. I can see that because the storage of that is quite expensive and we only have limited space. But electronically, I know for a fact that is not that expensive. Maybe the scanning will cost some money. I understand that part of it. I can tell you I cannot support the destruction of documents. I am a little worried now. How many did we approve? I was thinking we had electronic backup. But how many documents have been destroyed and we do not have any copy? That is probably the cop in me before because I used to do the white collar investigations for quite a while with the Kaua'i Police Department (KPD), and I can tell you that the embezzlement cases, and I am just using this as an example. Those businesses were audited every year, and they never caught it. It is not the fact that the audit will catch it. It is when it gets detected. If there is no documentation provided, then there is nothing. I do not think we can rely solely on the audit. I think what I am more concerned about is where you have a contractor that is contesting a procurement, and when we look into it, we find out there is a pattern or there are some issues that we have to look into. Then, the inquiry starts looking for some documents of eight (8) or nine (9) years ago and "oh, sorry, we do not have it." I think that even paints a worse picture for the public trust. For me, I think we need to definitely consider scanning those documents so that we have a copy in perpetuity. That is just my comments on this. I do not know if you would like to respond to that.

Mr. Barreira: Only that in terms of the law enforcement concern, most notably understood, Chair. Of course, the County Attorney has opined that in terms of the statutes of limitations, these documents, the opportunity for that type of prosecutorial effort have long passed because of the passage of time and the type of documentation that has been requested. He testified last week, Chair, about this specific issue.

In terms of the cost involved. I know Councilmember Yukimura asked an opinion about what would it cost. The time and finance would be cost prohibitive, in my opinion only because the amount of employees that I have properly classified to attend to the scanning of all of these old documents in these twenty (20) or twenty-five (25) or so boxes, would result in a substantial amount of time. My fear, as I noted in my response to Mr. Morimoto yesterday, is that it would take away valuable and critical resources from projects that we are currently undertaking that in my opinion have a far larger and more significant impact to the County's benefit in terms of our internal and external customers. I would be inclined to withdraw the request then to have to seek that type of manpower utilization.

Council Chair Rapozo: Did you consider contracting that out like we have done in the past? I do not think we have done our own scanning. I mean, it has always been a contract that we have put out for the scanning.

Mr. Barreira: I believe we did that procurement for the Council a number of years ago. We have always done our own scanning as of July 1, 2011. We do it as a matter of course, and we believe that future legal guidance is going to establish the allowance that we can use those electronic record as the legal record, which is going to have significant impacts for the County. But we do our own. We have not looked at contracting it out. The Division of Purchasing has a very, very small operating budget and I have not explored that opportunity.

Council Chair Rapozo: I understand that. Obviously we are asking for it. I am assuming that the Council would support the procurement of those services or utilizing summer hires, Kaua'i Community College (KCC) students, some kind of intern, or something. I mean, there is a way to do it. I want to hear how we can do it, not why we cannot. Thirty (30) boxes, I understand that, but I cannot see just tossing that away and then that record is forever lost.

The other question I have is, the County Attorney is not the one to speak on criminal issues. It is the Prosecutor. I will tell you what I know, is that the statute of limitation does not start until the discovery of the fraud. For government employees, it actually doubles the statutory limitations. That argument to me, I would suggest asking the Prosecutor and not the County Attorney because they deal with civil law, not criminal law. I know this just from my experience working in white collar, that the clock starts when the theft or embezzlement or whatever the fraud is discovered. I mean, that only makes sense because otherwise, if you did it ten (10) years ago or eight (8) years ago and you stopped, then you are not prosecutable because they found it eight (8) years later. No. The statute starts when the crime is discovered. That argument to me is erroneous. Anyway, I would suggest asking the Prosecutor.

Mr. Barreira: Chair you had also made a comment in terms of procurement protest or litigation opportunities for contracts who have problems with the procurement process. Chapter 103(D) clearly defines all of the due process requirements and timeframes that are involved in order to pursue those types of contested matters. It is a matter of days as opposed to a matter of years in terms of the compliance requirements within the Code.

Council Chair Rapozo: Yes. I am not going to get into an argument of your expertise versus mine. I am just saying on the criminal side. On the procurement side, that is one issue. But that procurement protest, whether it is in time or not, may trigger an investigation. The facts that have been uncovered may not be in the sufficient time to trigger a procurement protest, but it could trigger a criminal investigation. I think that is more of my concern because the contract procurement dispute can always be resolved in Civil Court. I am not concerned about that. The person can go and sue. I am more concerned about the criminal aspect, that if the investigator is looking for records and to be told by the County, "Sorry, we do not have it," I think that causes a problem. Maybe for tax purposes/Internal Revenue Service (IRS) purposes, the seven (7) year thing is cool. I do not have a legal requirement to keep any of my tax files as a citizen, as an individual, but I do. I keep them because I do not want to be audited two (2) or three (3) years from now and then oh my gosh, I have to recreate it. So, I keep it. I am not legally required to do that. I could throw them away after I file. I could throw everything away, but I choose not to. I am saying the County should have that same mentality, that whatever the legal

requirement is, that is one thing. But what is the right thing to do? In this case, I believe we should always have a copy especially when it comes to the finances or procurement of the County. That is just my opinion. Anyone else? Councilmember Yukimura.

Councilmember Yukimura: Ernie, how much time would it take to calculate the cost of contracting out the scanning?

Mr. Barreira: It should not take very long to communicate the volume that is involved and request a price quote information from the marketplace to have that done. As I said, other than the Council, I am not sure if anyone has undertaken a major scanning initiative. I would have to check with Mr. Raines to see if that was done. But I would say I could get that relatively quickly.

Councilmember Yukimura: Yes. I mean, I know there is the other issue of categorizing the documents so they are easily retrievable, which I do not think we did.

Mr. Barreira: Yes.

Councilmember Yukimura: And that would probably be incredibly costly or certainly given all of the other things we have to pay for in this County. You said you might withdraw the request, that means you will still have that whole load. Maybe giving us that figure would help us make the decision on this side. If it is not too much time to calculate that, perhaps we could just defer this matter and get that calculation because if we know what the figure is, we know whether we want to pay for it because we are wanting this done. Maybe we can just defer this matter and get the figure for scanning by contract.

Council Chair Rapozo: Yes, well for me, I do not think it is a choice. I mean, whatever the cost, the cost is. I think going forward as documents come in, we scan it in to a structured file system, and we will not have this problem. But now to go back, I do not know. I mean, how much does it cost to destroy the files?

Mr. Barreira: Oh, it is insignificant. For a project of this scope, maybe three hundred fifty dollars (\$350).

Council Chair Rapozo: What do we do? How do we destroy it?

Mr. Barreira: We contract with a shredding company that ensures the cross-shred process so that it cannot be detected after the process is completed. They either come on site or they remove the files, and then provide certification that it has been destroyed, as required.

Council Chair Rapozo: Okay. Councilmember Kaneshiro.

Councilmember Kaneshiro: Ernie, are we scanning these procurement type documents now?

Mr. Barreira: Yes. Every document that is generated by the Division of Purchasing is scanned since July 1, 2011. It is scanned and appropriately filed in an appropriate work file or contract file.

Councilmember Kaneshiro: How many more boxes do you think we have in storage, not just these ones, but in total that we do not have scanned?

Mr. Barreira: Looking at the totality of everything that remains, other things that we have not yet disposed of because of the seven (7) year wait requirement, we probably have another two hundred (200) square feet worth of documents that still need to be disposed. We have destroyed about four hundred (400) square feet in past requests or placed them with a redundant electronic file.

Councilmember Kaneshiro: How many boxes are in the amount of square feet?

Mr. Barreira: The total boxes?

Councilmember Kaneshiro: Yes, boxes.

Mr. Barreira: Oh my goodness. I would have to do a visual for you. If you come up, I can take you into the room. It occupies two (2) walls of the storage space that is allocated to us in Pi'ikoi.

Councilmember Kaneshiro: The thirty (30) boxes takes up what? A little bit of area?

Mr. Barreira: Currently, it takes up about a quarter of the wall in the section that we are looking at right now.

Councilmember Kaneshiro: Okay. Thank you.

Council Chair Rapozo: Anyone else? Thank you.

Mr. Barreira: Thank you.

Council Chair Rapozo: Do we have any registered speakers?

JADE K. FOUNTAIN-TANIGAWA, County Clerk: Yes, Chair. We have one (1) registered speaker for this item, Felicia Cowden.

Council Chair Rapozo: Thank you.

FELICIA COWDEN: Thank you. Felicia Cowden for the record. I have to say I really agree with the Chair. I have long been a little nervous every time I hear about these records being destroyed. It has never been made clear whether it is held. Seven (7) years is not very long. I am not looking at it in terms of a lawsuit. People change, people move out of office, and it is important sometimes to be able to look back at what worked and what did not. I think mistakes happen or things work right, and it seems that in the information age that we have, people are used to being able to see information. I, like the Chair, have all of my taxes back to high school. I just do it. I just keep it. I keep it solid, and it seems reckless to me, to only hold onto something for seven (7) years. With all due respect to everybody who has to sit there and deal with the storage, I would say, keep the data. Thank you.

Council Chair Rapozo: Thank you. Anyone else wishing to testify? Ms. Parker.

Ms. Parker: Alice Parker for the record. Excuse me. I agree that we should keep some files and scan them as they come in. But when I worked with exempt organizations with IRS, this was back in the 1980s, we always microfiche all of the tax applications. There are some that show up later to be fraud.

Universal Life Church is one of them that was totally to avoid taxes. It was not a religious organization, we did have the records, and that case was settled for the IRS.

The other thing is that I went back with my cousin to Boston in 1992 and we were looking up records. We wanted an article from the New York Times in July 1915. It was very important to our family. We did find it on microfiche in the library. So, whereas the County has a lot of records to electronically file, I think it is necessary. Thank you.

Council Chair Rapozo: Thank you. Any other testimony? Mr. Hart.

BRUCE HART: For the record, Bruce Hart. It has occurred to me in the discussion that there has been no mention of the future. I am not of an opinionist to whether we should keep these records or not, but I am of an opinion that we should plan for the future and have all of the records that are generated from this day forward all in an electronic form so that we do not have to face this question again. Thank you.

Council Chair Rapozo: Thank you. Anyone else?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Discussion? Councilmember Hooser.

Councilmember Hooser: Chair, thank you. I did not ask any questions. We talked a lot about this last week and so a lot of it was kind of repetitious for me, but I appreciate the comments that you and others made, and support not destroying the records and perhaps doing a deferral or just receive it and ask them to come back with a proposal to scan them. The historical record just in general, I think, is important to keep. I can imagine a new manger coming in and dealing with a contract or dealing with an issue and say, "How did this happen," and you have the contract, which will not be destroyed, but you do not have how they got the contract, you do not have that communication chain, and you do you not the history of that. I think the history is very important to keep. Again, at this day and age with the modern technology, I would imagine the cost would be minimal. I think it would be worth it to maintain, especially procurement records. Thank you.

Council Chair Rapozo: Thank you. Councilmember Chock.

Councilmember Chock: Thank you, Chair. I just wanted to kind of reiterate what was said in testimony that we have been keeping records since July 2011. We do have records moving forward. The records we are in discussion about are previous to that. I am actually a little bit more comfortable with moving forward on what the request is. However, I am conscious of people around the table, and inclined to support what Councilmembers want here in preserving some of this. I think for me, it is the question about funding. I would like to see a figure prior to making the decision. Whatever pleases the Council in terms of either receiving it or getting a proposal in the future is what I will move towards. But I cannot do it under my conscious without actually knowing what that cost is. I want a landfill site as well. I need to know what it costs. Thank you.

Council Chair Rapozo: Councilmember Kaneshiro.

Councilmember Kaneshiro: After last week's meeting, I am kind of on the same page as Councilmember Chock. I am looking at the work files. I am pretty comfortable disposing of them in hearing what that Attorney said. Again, I think it all comes down to what we are comfortable with. Some of these work files, one of the work files is from 1993. I do not really see anybody going back looking at a work file from 1993. Again, if we need time for other Councilmembers to get comfortable, and for me too, again, it is what is it going to cost us to scan and categorize this two hundred (200) square feet of documents? I am willing to go with what the majority wants as far as if we want to defer or take our time and see what the cost will be to scan, and then make a decision from there.

Council Chair Rapozo: Thank you. Councilmember Kagawa.

Councilmember Kagawa: I just want to echo what Councilmember Kaneshiro said. I mean, when the Purchasing Director said we have a twenty feet by twenty feet (20 ft. x 20 ft.) room of boxes that goes up from the bottom to the ceiling, I am thinking that we are not even going to be looking at most or all of these old documents. We are just going to keep it just in case. But I am wondering in reality, when we are looking for a specific document from eight (8) or ten (10) years back, will we even find it? How many boxes is in a 20 ft. x 20 ft. room from the floor to the ceiling? When you open a box, how many documents are in each box? I think at some point we have to place some reliance on our financial audits, the testing that they do, and say, "Well, the financial audits every year have not found any irregularities in our procurement documents." It may not have been what all of the Council felt was the proper way of procuring a certain contract, but if the Certified Public Accountants (CPAs) are not finding any irregularities in all of these financial audits as they test each year, I do not see a critical need to keep all of these documents. But if the Councilmembers feel like we should look at the price of scanning, let us do it. Let us see what that price is, let us see if it is relatively low, and I will support it. Thank you, Chair.

Council Chair Rapozo: Thank you. Anyone else? Councilmember Yukimura.

Councilmember Yukimura: I think storage and space is a big issue. It represents a cost when we have to use that space for storage when we could instead use it for much needed office space for the expansion of the Department of Planning and so forth. I appreciate that we are looking at solving that problem. It is of great comfort to me that since 2011 we have electronic files so that our procedures, thanks to the advances in technology, are allowing us to secure permanent records and keep those files from 2011. We are dealing with a problem that is not going to be around after we deal with this particular issue. I think I feel comfortable with disposing of them, but I too would like to, if it is not too much trouble, find out what the cost is of scanning and then go from there.

Council Chair Rapozo: Thank you. Councilmember Kualii'i.

Councilmember Kualii'i: I guess just after hearing all of the comfort levels, I have to say I totally agree with you, Chair, and I am not comfortable. I think since 2011 means four (4) years. That is hardly the history of our operations as a County. I think it is critical that we keep records, all records. In this day and age when we can do it electronically, there is no excuse. If we can get back to 1995 or whatever that is, because we have thirty (30) boxes, let us record that. Let us electronically record that. I cannot imagine that it is going to be not worth the cost. Records are important, we have electronic capabilities, let us do that.

Council Chair Rapozo:
Chock.

Thank you. Anyone else. Councilmember

Councilmember Chock: Chair, if we do move that down road, my request would be to get a cost for all documents so we know what that is going to cost. It sounds like it may be upwards of one hundred twenty (120) boxes if it is that big. Thank you.

Council Chair Rapozo: Okay. Anyone else? It took me about ten minutes to search five (5) companies that do document scanning for governments and private businesses. I just went random. All five (5) companies show a price of four cents (\$0.04) a page, four cents (\$0.04). There are discounts obviously if you have more boxes. Let me just read real quick what is included in this price of four cents (\$0.04) a page. "Document Preparation," which is "staple removal, document repairs, raise notary seal." So, they even go as far as catching the notary seal. "Record Conversion: two hundred (200) to three hundred (300) dots per inch (DPI) scanning to Tagged Image Format File (TIFF) or Portable Document Format (PDF)/Image Enhancement." They do the indexing, which they do Industry Standards and Best Practices, and they review one hundred percent (100%) verification of image quality, indexing, and file/page counts." That is all included in four cents (\$0.04) a page. Now, if you have one (1) box, and this is what it is; a fifteen inch (15 in.) business file box contains approximately two thousand (2,000) images. One (1) box will cost the County eighty dollars (\$80.00). If we had one hundred (100) boxes, they give you a discount. It is three and a half cents (\$0.0350) a page. If you did one hundred (100) boxes of two thousand (2,000) images, it is seven thousand dollars (\$7,000). I mean, realistically, come on. Realistically. We go through bills, resolutions, communications, and documents and we have often asked staff, "Can we get the legislative history of this?" They go back and they find the files. I do not know if we microfiche back then or what – back from the 1950s, the 1960s, and the 1970s. Imagine if we did not have that. Oh sorry Jade, come back. We destroyed that because we were not legally required to keep it. Seven thousand dollars (\$7,000). Again, this is just a quick Google search. I did five (5) of them, and all five (5) have the same price, four cents (\$0.04) a page. All five has the same services where they have verification and document preparation. All of that is standard. I am sure that is just an industry standard because it is probably done by everyone else except the County of Kaua'i. I am not going not support this. I would recommend we receive this, have them go out and look at what the cost would be – I can give them the source I found, although a Google search will do it for you; and come back with a proposal. They have free quotes. Just submit what you have and they will come back with a quote. That is how we do it. I mean, why would we not want to preserve the record? This is just one (1). We should be preserving all County government records because we have the ability to. Anyway, that would be my suggestion. The motion on the table is to approve. Any further discussion before we take the vote or another motion? Councilmember Hooser.

Councilmember Hooser:
to approve?

Does a motion to receive supersede the motion

Council Chair Rapozo:
vote. I apologize.

It does not? Okay. We would have to take the

Councilmember Yukimura:

Or withdraw.

Council Chair Rapozo:

Who made the motion?

Ms. Fountain-Tanigawa: Councilmember Kaneshiro and
Councilmember Kagawa.

Council Chair Rapozo: Let us just call the vote for the motion to
approve. Let us do a roll call.

The motion to approve C 2015-263 was then put, and failed by a vote of:

FOR APPROVAL:	None	TOTAL – 0,
AGAINST APPROVAL:	Chock, Hooser, Kagawa, Kaneshiro, Kuali'i, Yukimura, Rapozo	TOTAL – 7,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion fails.

Council Chair Rapozo: Now I will entertain a motion to receive.

Councilmember Kuali'i moved to receive C 2015-263 for the record, seconded
by Councilmember Hooser.

Council Chair Rapozo: Further discussion?

The motion to receive C 2015-263 for the record was then put, and unanimously
carried.

Council Chair Rapozo: Next item, please.

Ms. Fountain-Tanigawa: Chair, back to page 2.

C 2015-276 Communication (10/20/2015) from the Planning Director,
transmitting for Council consideration, an amendment to Ordinance No. B-2015-797,
as amended, relating to the Capital Budget of the County of Kaua'i for the Fiscal
Year 2015-2016, by revising the amounts estimated in the Development Fund CIP to
establish projects and expend funds received related to exactions for mitigation of the
impacts from the permitted Coco Palms Resort. (*Coco Palms Resort Development Use
Permit Conditions – \$110,000.00*): Councilmember Kagawa moved to receive
C 2015-276 for the record, seconded by Councilmember Kuali'i.

Council Chair Rapozo: Discussion? Public testimony?

Ms. Fountain-Tanigawa: Chair, we do have members registered to
speak.

Council Chair Rapozo: Okay.

Ms. Fountain-Tanigawa: I am sorry. It was withdrawn. We just have
the Planning Director if there are any questions.

Council Chair Rapozo: Was there any questions on item C 2015-276?
The Bill will be coming up later, but if you have any questions, we can do that now so
we can release the Director. I am sorry JoAnn. Councilmember Yukimura.

There being no objections, the rules were suspended.

Councilmember Yukimura: Good morning, Mike.

MICHAEL A. DAHILIG, Planning Director: Good morning, Councilmember.

Councilmember Yukimura: The fifty thousand dollars (\$50,000) for historic preservation and then fifty thousand dollars (\$50,000) for place making including *moku* and *ahupua'a* signage in the Wailua area.

Mr. Dahilig: Yes.

Councilmember Yukimura: How did the Department get to that figure and what is the proposed uses of that money?

Mr. Dahilig: Mike Dahilig, for the record. Just some context for the Council as it pertains to the question, the moneys that are being asked to be appropriated that are currently being held in the trust account are as a consequence of exactions levied through the permitting process for the new Coco Palms Resort. In looking at a number of the elements related to permit approvals, including the fact that this also required a Special Management Area (SMA) permit, historic preservation is one of the required elements that the Department looks at in recommending and evaluating impacts as a consequence recommending any type of mitigation efforts to mitigate those impacts created by the development. In looking at those current programs that are currently being done by the Department as well as the other Departments within the County as well as potential place making efforts that could be done to enhance the historical significance of the *ahupua'a* that is there, we worked with the developer to come up with amounts that were in the range of what was being spent. There are private efforts, most notably the Kaua'i Nui Kuapapa signage efforts that are being conducted on the island. I am sure many of you are familiar with the *moku* signs that are there. The *moku* signs are the only the tip of the iceberg with respect to the actual buildout of the program. So, we used some of those potential budget items in a buildout scenario that looked at the Wailua and Kapa'a areas as a shared amount, along with anything enhanced that we could think about. Let us say it is a gateway area. So, additional signage could be looked at. So, that is where that amount came from.

With respect to education, again, we worked with the developer to come up with an amount. Essentially, we are looking at creating some type of educational website using a quick response (QR) code that will allow visitors, as they are walking, to scan QR codes when they are using their mobile device to be educated about an area. For instance, if the signage does have that QR code at let us say, the beach, you would use your phone to take a picture of it and it would link to a website that would educate that person. Both kind of go hand in hand, but were meant to be two (2) distinct programs to have people realize that are using the resort of the significant cultural resource that *ahupua'a* provides especially at that mouth.

Councilmember Yukimura: So, the money goes into the Development Fund?

Mr. Dahilig: Yes.

Councilmember Yukimura: Is that going to be appropriated each time you want to access those moneys?

Mr. Dahilig: That is the action that is being asked today because right now, the money is being held in trust. In order for us to actually procure and expend the fund, we have to move it into the budget, and that is the request that we are asking of you for now.

Councilmember Yukimura: But once this passes, then there is no appropriation necessary?

Mr. Dahilig: This is the appropriation.

Councilmember Yukimura: If it is going to be appropriated, then I think we want to know how the money will be used.

Mr. Dahilig: Okay.

Councilmember Yukimura: Like a line itemed budget because it sounds like the Park Fund, which we changed after a while it would go right into the fund and we never saw it. The Parks Department got to use it however they wanted to, and there was no budgetary oversight by the County Council. If that is going to be the effect of our action, I think we need to know what it is being spent for.

Mr. Dahilig: Well, in response to that Councilmember, because this is an exaction as compared to a lump sum Parks appropriation, the actions that are taken have to be in nexus with the activity that is being conducted. For instance, I cannot take the money and ask you to spend that money in Līhu'e for another resort.

Councilmember Yukimura: I think I understand that it is site specific, Wailua/Waipouli region and Wailua area. Do you have the parameters of that so we know where it is going to be spent?

Mr. Dahilig: Yes. So, the parameters are dictated per the permit action that was approved by the Planning Commission in both conditions (inaudible) of the permit.

Councilmember Yukimura: What you are saying is any and all place making efforts in the Wailua area?

Mr. Dahilig: That is correct.

Councilmember Yukimura: Then the other is perpetuate cultural and historic significance of the Wailua/Waipouli area consistent with the Department's historic preservation program. Do you have a description of the Department's historic preservation program?

Mr. Dahilig: So that is where it would continue on, including the creation of educational programs and signage. As you are aware, the County is a recipient on a biannual basis of funds from the National Park Service relating to historic preservation. This is to be consistent with the broader genre and duty of the Department to actually have a historic preservation program. That is mandated by County ordinance and makes us eligible for those National Park funds.

Councilmember Yukimura: You have a fund from the National Park, how much do we get every year?

Mr. Dahilig: We come to the Council and ask for approval to expend approximately seventy-five thousand dollars (\$75,000) on a biannual basis that is split between ourselves and the County of Maui. The name of the actual program escapes me at this moment, Councilmember, but it is on a biannual basis that we do so.

Councilmember Yukimura: That is like thirty-five thousand dollars (\$35,000) a year or thirty thousand dollars (\$30,000) a year?

Mr. Dahilig: That is correct.

Councilmember Yukimura: I do not even know how you expend those moneys.

Mr. Dahilig: What we have done in the past per the recommendation of the National Park Service, has been to use those funds to do inventory of historical structures. Most recently, the activity was conducted within the Lihue area and a consultant was hired to actually do the inventory.

Councilmember Yukimura: That is for this year?

Mr. Dahilig: That was, I think, in the past cycle that we received the funding from the National Park Service.

Councilmember Yukimura: Is the inventory complete?

Mr. Dahilig: I believe it is completed as to the term of the contract. But in terms of the overall completion for the whole County, no, that is not completed for the entire County because there were no funds available to do the entire County.

Councilmember Yukimura: Okay. So, this money is going to do an inventory in the Wailua/Waipouli area?

Mr. Dahilig: No. If you are referring to Condition #1, it refers to educational programs. What we are attempting to do is to try to mitigate the impact of having an additional onslaught of visitors within that *ahupua'a* is to actually provide active opportunities to have these visitors learn about the significance and to treat it with respect. So, that is where the condition continues including the creation of additional programs and signage.

Councilmember Yukimura: You have signage in both places. Does that amount to one hundred thousand dollars (\$100,000) for signage?

Mr. Dahilig: Signage, educational activities, and as I mentioned earlier, the intent is to try to utilize technology given...

Councilmember Yukimura: For the website?

Mr. Dahilig: For the website as well as the broad appeal of mobile devices.

Councilmember Yukimura: And you are working with the Kaua'i Visitors Bureau?

Mr. Dahilig: Well, we do have examples from what the Office of Economic Development (OED) has done, and that is where the memorandum over to the Council has indicated that both the OED as well as the Transportation Agency would be in concert with the utilization of these funds. So, we have examples from OED that in their research, has shown these types of mobile outreach and educational activities that can be deployed to try to mitigate the impacts to the area.

Councilmember Yukimura: Okay. I mean, the reason I am asking all of these questions is because once we pass this Bill, that is it. You are not coming back to us as part of the annual budget to tell us how these moneys are going to be used in the next year and go through that whole budget process. So, that is why we would need to know now because we are essentially appropriating the money, right?

Mr. Dahilig: The level of detail that has been provided, at least at this juncture, is to implement specific conditions as laid out by the Planning Commission. The Planning Commission has enumerated the type of mitigation measures that they would like to see in order to make sure that the historic impacts are taken care of.

Councilmember Yukimura: So, the Planning Commission has done that? Where are those guidelines?

Mr. Dahilig: Those guidelines again, are in Conditions #1 and #2 of the Planning Commission's permits.

Councilmember Yukimura: Those are broad parameters, but they are not really guidelines. This is a bill that is coming up before us. So it is going to come to Committee and public hearing, right?

Council Chair Rapozo: Yes.

Mr. Dahilig: Yes.

Councilmember Yukimura: Okay. So, there will be more time to ask those questions. I guess in preparation for our final decision making, I would like to get a copy of our historic preservation program description with our expenditures as long as the program has been in effect under the National Park system and how we have expended that money.

Mr. Dahilig: Okay. What I can direct the Councilmember to with respect to the program, it is established via County Code under Chapter 8.

Councilmember Yukimura: That is good. If we can still just get the records of expenditures over the years.

Mr. Dahilig: Sure. We can surely do that.

Councilmember Yukimura: I hope there is some kind of a plan with goals and objectives, and some timetables. Also, the *moku* and *ahupua'a* signage. How many signs? What is the cost? And that is the website as well, some itemized proposed expenditures.

Mr. Dahilig: We can work with the Office of Economic Development to help provide that information, Councilmember.

Councilmember Yukimura: Great. Thank you very much.

Council Chair Rapozo: Councilmember Hooser, did you still have a question?

Councilmember Hooser: No. I think the questions have been asked. I will reiterate, I think, sometimes I feel like I have to translate here. I will restate. So, these are funds that the developer of Coco Palms has given to the County, right?

Mr. Dahilig: Yes it is.

Councilmember Hooser: So, it is one hundred ten thousand dollars (\$100,000) or so?

Mr. Dahilig: Yes it is, Councilmember.

Councilmember Hooser: For these specific purposes?

Mr. Dahilig: Yes.

Councilmember Hooser: This Bill proposes to take those funds out of a trust account and put it into the Planning Department's budget?

Mr. Dahilig: That is correct.

Councilmember Hooser: For the purpose of doing those three (3) items?

Mr. Dahilig: Yes.

Councilmember Hooser: My question would be, along the lines of Councilmember Yukimura, it sounds like we are appropriating money and approving these items, but yet we do not really know any detail of it.

Mr. Dahilig: Okay.

Councilmember Hooser: My question would be, what is the timeframe? Are you going to be spending the money right away and doing these projects right away or is it one of these days?

Mr. Dahilig: The intent by asking for the appropriation at this juncture is to move on it immediately rather than wait for the next budget cycle to have the funds expended.

Councilmember Hooser: Okay. So, the Planning Department wants to move forward with these projects, therefore you need the money to do so?

Mr. Dahilig: Yes.

Councilmember Hooser: So that answers that question. I think at the next meeting, additional detail would be appreciated.

Mr. Dahilig: Fair enough.

Councilmember Hooser: Thank you.

Council Chair Rapozo: Any other questions? Councilmember Yukimura.

Councilmember Yukimura: This proposed bill also shows a ten thousand dollars (\$10,000) figure to the County Transportation Agency to assist with construction of a new bus stop along Kūhiō Highway in the Wailua area.

Mr. Dahilig: Yes.

Councilmember Yukimura: This contribution will be provided upon application of the first building permit after Commission approval. There is no proposed bus stop in front of Coco Palms? The potential traffic circulation and congestion was definitely one of the key issues regarding the Coco Palms development. The ten thousand dollars (\$10,000) for a bus stop anywhere along Wailua, the first new bus stop that is needed, is that what it is or maybe we need our Transportation Agency?

Mr. Dahilig: I think given the permitting process, the permitting process does not have the degree of specificity when you get into implementation. So, what was identified by the Transportation Agency through the agency 360 that we do when we intake a permit, their comments back to us were that there needs to be additional services provided given the fact that you are going to add a number of tourists in that area. As to the specific placing of that bus stop, that was not specified, as there is a number of moving parts including whatever negotiations the Transportation Agency would have to have with the State Department of Transportation as it is their road. Nevertheless, the need was identified, the applicant did concur with the exaction, and that is also included in this request.

Councilmember Yukimura: Okay. We are appropriating the money at the same time in this same Bill?

Mr. Dahilig: Yes.

Councilmember Yukimura: Okay. Hopefully at Committee time, we will have the Executive on Transportation here to explain this part of it.

Mr. Dahilig: Okay.

Councilmember Yukimura: Yes. Thank you.

Council Chair Rapozo: Any other questions?

Councilmember Yukimura: Yes. Related to that, Section 21 of that, I guess, tries to address the traffic impact.

Council Chair Rapozo: JoAnn, this Bill is only for Condition #1, #2, and #10.

Councilmember Yukimura: That is right.

Council Chair Rapozo: If you want a briefing on the conditions, we can do that with a different item.

Councilmember Yukimura: I do.

Council Chair Rapozo: Limit the discussion to Condition #1, #2, and #10.

Councilmember Yukimura: Okay. I would like to have a discussion on Condition #21 at a later date, and also on the affordable housing requirements, Condition #14.

Council Chair Rapozo: I have informed the developers that we want to get an update from Coco Palms. It is coming up shortly, a complete update on their plans and where we are at. At that point, we can discuss any of the conditions.

Councilmember Yukimura: Well, I hope we have a housing agreement in place.

Council Chair Rapozo: Any other questions? I just have one (1), Mike.

Mr. Dahilig: Yes.

Council Chair Rapozo: I will limit most of the discussion until the Committee. On the *moku/ahupua'a* signage, how much have we spent on that already?

Mr. Dahilig: In terms of this funding?

Council Chair Rapozo: Just in total, because this is adding money to that program and I think we have contributed quite a bit to that program over the last couple of years. I am just curious if we are in need of more money for that.

Mr. Dahilig: I am not managing that side of the program, but I can definitely relay the question back to the Office of Economic Development.

Council Chair Rapozo: The Planning Commission and the Planning Department felt there obviously was a need to put that exaction in.

Mr. Dahilig: Yes.

Council Chair Rapozo: So, was that at a request of the Office of Economic Development?

Mr. Dahilig: I think given our own role also as the Historic Preservation Agency and being aware of the Kaua'i Nui Kuapapa program, it seemed appropriate to try to build on what we understood as the full buildout of the program. We knew that whatever moneys were funneled or appropriated to do the initial set of *moku* signs was only, again, one (1) element of the overall intended *moku* sign program or *ahupua'a* sign program. That money was to support that, but it was to also look at where there were other types of signage or place making treatments that we could do to create that gateway beyond just the *moku* signs that you see right now.

Council Chair Rapozo: I guess that is my concern. That is all I see so far.

Mr. Dahilig: Yes.

Council Chair Rapozo: Is a few *moku* signs. I do not know what the total number is. I think it is well over one hundred thousand dollars (\$100,000) that we have contributed, I think.

Mr. Dahilig: Okay.

Council Chair Rapozo: But it is a lot of money and all I have seen is a few signs. I am kind of concerned about that. Again, we will have the right people here at the Committee Meeting. I understand that you are on the planning side. But we will have that addressed because I think we are stuck though, right, because it is an exaction. It is what it is. I just want to make sure we understand. I think more money should have been allocated to traffic mitigation than signage. We will hear from the Office of Economic Development at the Committee Meeting.

Mr. Dahilig: Okay. Fair enough.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: I would like to ask that the Planning Commissioners be invited to that meeting.

Council Chair Rapozo: Planning Commissioners?

Councilmember Yukimura: Yes.

Council Chair Rapozo: We can invite. I am not sure if they can come. But we will definitely invite. Okay.

Councilmember Yukimura: Thank you.

Council Chair Rapozo: Any other questions? If not, thank you, Mike.

Mr. Dahilig: Thank you.

Council Chair Rapozo: Any other discussion on this item?
Mr. Mickens.

GLENN MICKENS: For the record, Glenn Mickens. Thank you, Mel. I know you cannot answer the question, but I am curious where it says "revising the amounts estimated in the Development Fund CIP to establish projects and expend funds received related to exactions for mitigation of the impacts from the permitted Coco Palms Resort." As Councilmember Yukimura pointed out, traffic at that intersection there is probably going to be one of the major things. Is the Coco Palms organization going to pay for that no matter what the cost happens to be? I mean, I can see putting new lanes. All kinds of things have to be done there. The cost is going to be extremely high to mitigate that. My question is, which is know you folks cannot answer me, but I would just like to know if that is going to be paid by them no matter what the cost happens to be. Thank you.

Council Chair Rapozo: Mr. Bernabe.

MATTHEW BERNABE: Matt Bernabe for the record. I went to the State traffic meeting several months back, but this year. It was held at Kapa'a Library. I did not see any County members there. They discussed traffic issues ranging from Wailua Bridge all the way to Keālia Bridge and up and above. Part of

it was what we are talking about here, traffic mitigation at that region for the lanes. Has anybody gotten with the State or even looked up those records? Perfect. Second, I just want to point out, and I support getting a second lane going Līhu'e bound in front of there.

I live in Wailua Houselots, and I live right before the slope starts to go up the hill. We get a lot of rats. I am going to tell you this. It always shocks me in Wailua Houselots of how much rats we have. It dawned on me some years back there is this huge rat reservoir called Coco Palms. Has any language or discussion been introduced to this process in regards to once they tear down this rat haven, where these rodents are going and if they could somehow stem the tide of the invasion into our neighborhood? Chair, I believe you live in Wailua Houselots too. I do not know if you have ever thought about that aspect, but it might affect you too. Other than that, that is all I kind of wanted to say publicly. I do support getting Coco Palms up and running again. I have fond memories of growing up there. It has some historical value. I do not know if they are going to make it historical. Do they have to stick to historical? But that is another discussion, I guess. I am glad it is going through the process, but I would just like those points to be noted. Thank you.

Council Chair Rapozo:

Thank you. Ms. Parker.

Ms. Parker: Alice Parker for the record. I heard there was mention of Coco Palms putting a bus shelter in. Now, I heard it as singular. If they put a bus shelter in, there needs to be one on both sides of the road. I ride the bus up that way every Monday, at least. We do need one somewhere between Wailua near Brick Oven Pizza and the next spot is Hanamā'ulu. Yes, we need bus stops, but we also have to be concerned with the traffic which will be horrendous if the busses have to stop and load and unload. Thank you.

Council Chair Rapozo:

Thank you. Anyone else wishing to testify?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo:
Kagawa.

Further discussion?

Councilmember

Councilmember Kagawa: Thank you, Chair. I am kind of disturbed hearing that we want to invite the Planning Commissioners here and use our meeting to possibly grill them on why they are approving this and that. I mean, I think having the Planning Director here answering questions and representing the Planning Department and the Planning Commission is sufficient. This Coco Palms debate, there are two (2) sides to everything. Part of me is worried about the traffic, but another part of me, I think about our youth and our kids as where are they going to work? All of my graduates from Kapa'a High School, not all of them can work for the County or State. Where are they going to work? Coco Palms was there for many years operating until the hurricane hit it. Now they are going to come back onboard hopefully, and hopefully it will create some good jobs for our children so they can raise their families here like we did. Hopefully we will do it the right way. I trust that the Administration is taking steps. Matt, I think they watched the show. I hope they will address the rat problem. It is a great problem you bring up. Whenever we clean up landfills or cleanup areas of rubbish or debris like we had during the hurricane, the rats scattered into the neighborhoods. It is a great point. I hope the Administration is listening. The traffic concerns, the affordable housing requirements. I think the Administration is going to squeeze everything they can out

of Coco Palms. I think Coco Palms needs to worry about whether they can first step 1, clean up that existing rubbish. I think that will be an accomplishment. I think if we get that area cleaned and Coco Palms does not make it, at least we have that area cleaned and we can start with making a park or whatever, a cultural facility. I am grateful that we are taking steps because I am tired of seeing the deteriorated Coco Palms sit there. If the County was going to clean it up ourselves, think of the millions that it will cost us, and we do not have that. I think we need to appreciate moving forward with Coco Palms and instead of just hammering Coco Palms for all of the negatives, let us kind of get behind them and say, "Come on folks, let us go." Let us get behind them because I think if they accomplish at cleaning up, it will be a big headache already crossed off regardless of where the hotel comes back or not. Like I said, there is good and bad to everything. There will be some inconvenience with traffic, but it is our just. It is us and the State. We have to think about once it gets built. We have to hopefully plan now so when they get built and we are assured that they are going to be built, we can make some relief measures. We can use the Transportation Investment Generating Economic Recovery (TIGER) Grant to do something like that instead of focusing on Puaole Street and all of that. I mean, it is nice. But I am saying, I think we can use the TIGER Grant in some areas like that. I think that would be great, and use the federal moneys to help us alleviate traffic because it is going to create more traffic. You cannot tell every tourist to ride a bus or ride a bike. Some of them are going to want to drive. People want to go from Hā'ena to Kōke'e. Those are my thoughts. Like I said, there are some good and bad. This is no slam dunk. Thank you, Chair.

Council Chair Rapozo:

Councilmember Chock.

Councilmember Chock: Thank you, Chair. I just want to also voice my support for Coco Palms moving forward. I would like to reiterate that request to have an update on the progress specifically for item #3, which involved *iwi kupuna* and #21, which is the traffic mitigation, and would go further into maybe inviting the State into that discussion so we are very clear about what it is we are doing in preparation for that traffic need. Thank you.

Council Chair Rapozo:

Councilmember Hooser.

Councilmember Hooser: Yes. I am obviously supporting this request. Since the conversation now has broadened on the entire Coco Palms project, I am also supporting the project in hoping that they are a little more successful. But I believe part of the role we play here is to assist and facilitate a public discussion since we represent the community. Having the developers, the Administration, and others here to discuss the Coco Palms project, its status, and its potential impacts is a very good thing. I support inviting State Highways here to talk about the traffic impacts, and I see no harm in inviting the Planning Commissioners and others also. It is their choice whether they want to come or not. I think it is a very legitimate question to ask as to the status or why there was or was not housing requirements. I think it is a legitimate question to ask, and whoever is here can be asked. I think it is a good discussion to have. It is kind of overdue. We have not really had the developers here in a while as far as I can remember, and I look forward to doing that. Hopefully we can set aside sufficient time. I know there is some questions sometimes about the length of our meetings, but I think with a discussion like that, we should set aside the time to do it properly. Thank you.

Council Chair Rapozo:
Councilmember Yukimura.

Thank you. Any other discussion?

Councilmember Yukimura: Yes. The issue before us is not whether there will be a Coco Palms in operation, but whether Coco Palms will be brought back in a way that will not put Wailua/Kapa'a in worse gridlock than it already is, which is unbearable, and whether there will be affordable housing for workers and others like them. Inviting the Planning Commission was not suggested to have them testify, but to have them listen to the Council and public dialogue in a way that will inform their decision making into the future. I concur with inviting State Highways because they are a really important player in the issue of traffic and transportation in the Wailua/Kapa'a region as affected by the bringing back of Coco Palms. These are all critical issues that the public deserves to have both heard and have good decisions made about them.

Council Chair Rapozo:

Thank you. Councilmember Kualii'i.

Councilmember Kualii'i: Just quickly. I want to say that I too, am in full support of Coco Palms coming back and restoring and recreating some of the culture and history that has always been there. I think it is really important with the signage to help with the outreach and education, but clearly, more important than the signs is the traffic mitigation. I experienced some of that even just trying to get to the blessing a couple of weeks ago. Hopefully the development, the way that it is laid out, will not only not make traffic worse, but maybe it could be planned in such a way that would actually help make it even better than the current situation because it is already a tough situation that need to be improved. We cannot afford for this to make it worse in any way.

Council Chair Rapozo: Thank you. Anyone else? With that, let me just say and let me just clarify that the rules does not prohibit the Council from answering any questions. It does not do that. It requires the public to direct their questions to the Chair, and if the Chair feels like he wants to answer it, he can. It just prohibits the public from asking direct questions to individual Councilmembers. But there is no rule that prohibits this body from answering any question. With that, one of the questions was has we met with the State regarding highway issues. I saw Councilmember Yukimura nod her head "yes." I think we have had the State here on several occasions. We have discussed traffic mitigation island-wide and many of not all Councilmembers have communicated or continually have dialogue with the State Highways. So, that is being done.

As far as the rat issue. Yes, I do live up in Wailua Houselots. I can only assume that when they went from the demolition permits, and I have not seen the demolition permit, that all of the agencies involved would chime in on what the requirements are. But we all know who have lived here when we used to burn sugar cane, when they burned the cane, the rats that could, ran away, and they ended up in your backyard eating your dog food, causing them to bark, and all of that stuff. The reality is that is going to be an issue that has to be dealt with. Jade, if we can send something over to look if that has been addressed because I thought about that all the time driving home; that place must be infested with rats, never thinking what is going to happen when we tear that down. Obviously, we are going to have some issues that maybe we are going to have to get vector control to go in and maybe get rid of them first before they start doing the demolition. I do not know. I do not know what they do with that stuff.

As far as the bus shelter, Ms. Parker. The money is for assisting the construction of one (1) bus shelter. But there is also a condition in there that says, should the need arise, if the ridership increases because of the development that they will work with the Transportation Agency if the Transportation Agency requests, that

they will look into assisting with adding bus shelters or bus stops. That is what is in the conditions now.

Glenn, to your question, that was a loaded question. I do not know how to answer you. Who is going to pay for the entire project? I can honestly say, "I do not know," but we can find out and let you know.

With that, again, this money bill is just to appropriate the funds. I do have some questions like many others as far as what the fund go to, and we will have that discussion when we get to the Committee. We will have all of the agencies involved here to be able to answer the questions. With that, the motion is to approve?

Ms. Fountain-Tanigawa: Receive.

The motion to receive C 2015-276 for the record was then put, and unanimously carried.

Council Chair Rapozo: Motion carried. Next item, please.

C 2015-277 Communication (10/20/2015) from the Mayor, transmitting for Council consideration for inclusion in the 2016 County of Kaua'i and Hawai'i State Association of Counties (HSAC) Legislative Packages, A Bill for An Act Relating to Tort Liability, to delete the sunset provision for the liability exceptions for County lifeguards: Councilmember Kaneshiro moved to approve C 2015-277, seconded by Councilmember Kualii.

(Councilmember Kagawa was noted as not present.)

Council Chair Rapozo: Thank you. Any discussion? Do we have a presentation for this?

Councilmember Yukimura: I hope so.

Council Chair Rapozo: You hope so. He just said "no." I think Nadine is here. Let us have Nadine come up.

There being no objections, the rules were suspended.

NADINE K. NAKAMURA, Managing Director: Good morning
Councilmembers. Nadine Nakamura, Managing Director.

KEITH SUGA, County CIP Manager: Keith Suga, County CIP
Manager. Good morning.

Council Chair Rapozo: Okay. Councilmember Yukimura, you have a question?

Councilmember Yukimura: Yes. Could you just summarize what we are trying to do here or do you have a presentation? Excellent.

Council Chair Rapozo: This is for the Tort Liability.

Ms. Nakamura: There are two (2) pieces.

Council Chair Rapozo: I understand, but we are on the Tort Liability.

Ms. Nakamura:

The first one is Tort Liability. Yes.

Council Chair Rapozo: The Tort Liability is just removing the sunset date of the Beach Liability Bill, which every year they basically blow us off. It needs to pass this year because if not, then the protection will disappear for our lifeguards should they get sued while trying to help. I cannot imagine this happening, but that is just the way the personal injury attorney lobby has lobbied the Legislature. It is going to end, and basically we need to get this sunset removed so our lifeguards, our Counties, are protected from liability should they get sued because they are trying to help somebody from drowning. That is what it is. It is every year and every year they put it off and put it off, but this year, they cannot put it off. If the sunset is enacted, then we have no more liability. Like I have explained to the Legislature on numerous occasions, what that will entail is removing our County lifeguards from State beaches because we cannot absorb that liability, and that would be a sad thing. This is a message to our State delegation and to all of you in the public that is watching, let them know we need this sunset date removed to protect our County lifeguards. That is basically what it is. Sorry Nadine. That is a passionate thing for me because it is frustrating because it is such a no-brainer.

Ms. Nakamura:
that it expires is June 30, 2017.

Thank you. That summarizes it. The date

Council Chair Rapozo:

Correct. Any other questions?

Councilmember Yukimura:
following year?

Yes. It is 2017, so it is not next year, but the

Ms. Nakamura:
critical to pass it.

That is correct, but this legislative session is

Councilmember Yukimura:
have tried.

Right. Well, it has been critical every time we

Ms. Nakamura:

Right.

Councilmember Yukimura: I just wondered whether the Administration has developed some strategy to get a different result than we have in the past, which has been a lack of a positive response from the Legislature.

Ms. Nakamura: Or they keep on adding two (2) additional years to the date without just making it forever.

Councilmember Yukimura:

Right.

Ms. Nakamura: They just add on a couple more years to this bill. I think what we have done in the past is all of the Counties show up to the hearings, we express the concern, our Fire Chief is at every hearing, I have testified in the past, and I know the Hawai'i State Association of Counties (HSAC) has testified. It is really a concerted effort. There is usually a room full of County people at those meetings talking about the consequences.

Councilmember Yukimura:
using for not doing this?

What is the rationale that the Legislature is

Ms. Nakamura: I cannot speak for the Legislature, but there are other competing interests that make the permanent extension – they just do not do that. They have not been doing that.

Councilmember Yukimura: I think the Chair's point is well taken, then, that it is really up to the people of Kaua'i to speak out.

Ms. Nakamura: And all of the islands.

Councilmember Yukimura: Right. To speak out about the need for this because everybody is concerned about water safety. People have been so generous donating to support our water safety personnel with equipment, supplies, and funding.

(Councilmember Kagawa was noted as present.)

Councilmember Yukimura: The Rotary has come forward with the tubes to help. So, there is such a strong support. I guess mobilizing the community would be a good way to do this.

Ms. Nakamura: Yes. There are representatives from different organizations on Kaua'i typically testifying.

Councilmember Yukimura: Great. Thank you.

Council Chair Rapozo: Any other questions? If not, thank you very much. You may as well stay right there. Let me see. There might be some public testimony. Is there anyone wishing to testify on this matter? Okay. Nadine, we have to call you back up.

Ms. Nakamura: Okay. Thank you.

Council Chair Rapozo: While Matt is coming up, Councilmember Yukimura and other members, Dr. Downs is very active in this lobby effort as well as many of the lifeguard associations, and the Beach Boys Association throughout the State. In fact, at the capital, there is quite a bit of civilians or community members lobbying for this.

Mr. Bernabe: Matt Bernabe for the record. Just to understand how this is written, the act relating to the Tort Liability, is the provision that is in the sentence provision, that is the provision that – I am just a little confused as a public member. If this is such a good thing, why has there even been a history of an attempt and fail to convert? If this is a safeguard for the County and the individual lifeguards themselves, I will be the public member to demand it. What is going on? I have no problem saying that. We need to figure out how we can safeguard our beaches that are not manned by a lifeguard. I also think we need to have a brainstorm on that. I do not know enough on this issue. I understand the Chair's very well. The rest of it kind of boggles me so I will leave it at that. Let us just get this corrected and let us safeguard ourselves. Thank you.

Council Chair Rapozo: Thank you. Anybody else?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Further discussion? Councilmember Hooser.

Councilmember Hooser: Yes. Having been involved in this issue at the Legislature every couple of years, myself personally, the one answer is the plaintiff's lawyers lobby. They do not want this passed, and every year it come forward, they give in at the very end to say, "Well, maybe another year or maybe another two (2) years." So, it is the public interest; lifeguards and the public against the plaintiff's lawyers lobby. I believe the only way to get past that is to speak to our Legislators and have a united front all around. But that is the answer. It does boggle the mind that we have to do this, but having seen it firsthand, the lobbyist going door to door saying, "Well, let us not do it permanently. Let us just do it another year or two (2)." It is an unfortunate reality of the legislative process. Thank you.

Council Chair Rapozo: Thank you for that, Councilmember Hooser. Anyone else? Councilmember Yukimura.

Councilmember Yukimura: Yes. I do appreciate Councilmember Hooser's very seasoned understanding of the issue because the public needs to know that it is an issue that is basically being determined by lobbyists of a very special interest. It does boggle the mind because the public interest is so clear and it lies in removing that sunset clause, and yet every year we go, and I have also lobbied for it, the special interests are so strong. The only way to overcome that is to have the public really speak to our Legislators on all islands, but our individual Legislators from Kaua'i and ask them to please act in the public interest and remove that clause, the sunset date that would terminate the liability coverage that the State gives us right now which enables us to have lifeguards at our beaches, which is so critical for our visitor industry in particular, but for all of us.

Council Chair Rapozo: Councilmember Hooser.

Councilmember Hooser: I just want to repeat to be clear, that I support a citizen's right to sue. I support an individual's right if they are harmed by negligence and the bad actions of other people. They should have the right to recover that. But to have that right stand in the way of this protection, and there are ways to appease the citizen's right to sue in terms of negligence if the lifeguards were drunk or grossly negligent then fine. We should be at risk. But just to have a blanket taken away about protections, I cannot support. Thank you.

Council Chair Rapozo: Thank you. Anyone else? I will say that I do not know what more the Counties can do. I think this is one (1) issue that every year at the capital when you talk about unification joint effort between the Administration, the Council, and the community, I do not know if we have ever fought this hard for any other measure collectively because there are so many interests. For some reason as Councilmember Hooser said, the lobby is strong. A gentleman by the name of Bob Toyofuku who leads that lobby is an attorney. Naturally, the attorneys are very influential and can be very intimidating, but nonetheless, this is one of those no-brainers. So, we are going to try again. We can help you folks track bills and submit testimony so they know that it is a no-brainer.

The motion to approve C 2015-277 was then put, and unanimously carried.

Council Chair Rapozo: Motion carried. Next item, please. I will say that we are going to try to get this on. I know for the HSAC package, the deadline has passed. But we will propose it and see if the HSAC will allow for a variance and

allow it in. I think it was inadvertently missed this year. I do not know why. So, we are going not try our best to get it on. Next item, please.

Ms. Fountain-Tanigawa: The next item is on page 3.

C 2015-278 Communication (10/20/2015) from the Mayor, transmitting for Council consideration for inclusion in the 2016 County of Kaua'i Legislative Package, A Bill for An Act authorizing the issuance of General Obligation Bonds and making an appropriation, in the amount of \$7,150,000 for the following:

- Adolescent Treatment and Healing Center
(Construction & Site Improvements) – \$5,000,000
- Centralized Auto Maintenance Facility
(Planning, Permitting & Design) – \$550,000
- Kaua'i Fire Department Helicopter Hangar
(Construction) – \$500,000
- Salt Pond Master Plan – \$400,000
- Veterans Cemetery Facility Construction & Improvements – \$700,000

Councilmember Kagawa moved to approve C 2015-278, seconded by Councilmember Kualii.

Council Chair Rapozo: Anybody registered to speak?

Councilmember Yukimura: Can we get the presentation first?

Council Chair Rapozo: Oh, we do have a presentation. Okay.

There being no objections, the rules were suspended.

Council Chair Rapozo: Nadine.

Ms. Nakamura: Good morning. Nadine Nakamura, Managing Director.

Council Chair Rapozo: Nadine, let us take a real short moment here. We welcome Island School's United States (U.S.) Government high school class. They will be here from now until 11:00 a.m. They have not decided if they are going to testify or not, but I think the timing is right because there is a lot of issues built in this one (1) item. So, we will let them get seated. I just wanted to recognize them, and their teacher is Mr. Andrew Denny. Welcome and enjoy the show.

(Council Chair Rapozo was noted as not present.)

Council Chair Rapozo relinquished Chairmanship to Councilmember Kagawa.

Mr. Suga: Keith Suga, County CIP Manager.

Ms. Nakamura: We went over the Tort Liability. Today we wanted to go over the CIP funding request for this upcoming legislative session. There are five (5) projects that we are asking the Legislature to assist in our funding.

The first one is the Adolescent Treatment and Healing Center for five million dollars (\$5,000,000); a Centralized Auto Maintenance Facility, five hundred fifty thousand dollars (\$550,000); Fire Department Helicopter Hangar, five hundred thousand dollars (\$500,000); Salt Pond Mater Plan, four hundred thousand dollars (\$400,000); and Veterans Cemetery Facility Construction & Improvements, seven hundred thousand dollars (\$700,000).

I want to first start off with the Adolescent Treatment & Healing Center, which has been on your agenda over many years. As you are all aware, we thank the Council for approving the Memorandum of Understanding (MOU) and right-of-entry for the five (5) acre Ma'alo Road parcel. We recognize Grove Farm, Inc. for their assistance with securing this parcel. The land has been cleared. The location is up Ma'alo Road past the Kaua'i Island Utility Cooperative (KIUC) facility, and it is in close vicinity to the Hanamā'ulu community. The Blue Ribbon Panel has continuously met over the past year. Included on the Blue Ribbon Panel, as you are aware, are representatives from the State, various County Departments, non-profit agencies, and private service delivers.

At this point, the site recommendation is at Ma'alo. The number of beds are eight (8) servicing adolescents, boys and girls, and there is a range of services that besides the residential treatment that we would like to provide at the site.

As I mentioned earlier, we have executed legal documents with Grove Farm, Inc. that includes the right-of-entry and the MOU. Earlier last year, we sent out the Request for Information (RFI) and we had three (3) responses. As you are aware, the feasibility study was done, environmental assessment contracts are in place with Belt Collins & Associates, and the architectural construction manager contract with Marc Ventura, AIA (American Institute of Architects).

We estimate operating funds will be needed and will include a combination of hopefully State fund and private insurance that would support the operations. We are still working on a financial feasibility update. We estimate the need for Capital Improvement Project (CIP) funds to build the facility, and that is estimated to be five million dollars (\$5,000,000). I am going to ask Keith to talk about the Centralized Auto Equipment & Repair Shop.

Mr. Suga: The next project is this Centralized Auto & Equipment Repair Shop. The current Pubic Works (PW) Auto Shop was built way back in 1978. At that time, it supported a KPD fleet of six (6) vehicles, and currently in 2015, KPD's fleet has grown to one hundred eighty (180) vehicles. So, the current auto shop in Public Works now supports that increase you see. Also currently, the auto shop maintains approximately four hundred fifty (450) units spanning in Highways and other Department equipment as well. Also, the Transportation Agency has a facility at their location that supports their repair and maintenance need for their busses. They currently have also outgrown based on their fleet growing and the size of their busses growing. Their current bays at the transportation maintenance facility does not support that so that they can do their maintenance efficiently. The idea here is to create the centralizes auto shop that would house repairs for not only all of what Public Works currently does, but also the Transportation Agency's units.

Another component is currently, the Fire Department does not have a facility or a site to do maintenance on their equipment and on their engines and trucks. So currently, they have mechanics that go from site to site or from station to station to try to do as best as they can, the maintenance required for their vehicles. Again, this

would centralize this operation also into one (1) location. The request here would be for the five hundred fifty thousand dollars (\$550,000) for starting the planning and design efforts for this facility.

The next item being requested is for construction funding for Fire Department's Helicopter Hangar at the Līhu'e Airport. As you folks all are aware, the Fire Department's helicopter has provided a lot of assistance in rescues as you can see some of the numbers there. A lot of the rescues have been done on State property. In 2014, there were fifty-seven (57) rescue mission dealing with one hundred ninety-seven (197) people. You can see the breakdown there with the visitors and residents.

Also in the past, we have had to address wildfires. The Fire Department is the first responder to fires on State property as well. Just some other figures breaking down the rescues at the various locations. Some pictures of one of the fire rescues that was supported by the Fire Department.

For this particular item, we have some CIP funds currently in place to support the planning and design efforts. So, this request would be for the five hundred thousand dollars (\$500,000) to support the construction of a helicopter hangar and amenities at the Līhu'e Airport.

Ms. Nakamura: This next request is to seek funding for a Master Plan for the Hanapēpē Salt Pond, the beach park, and the area just in that region. Over the past couple of months, there has been an election. The families and salt makers have been organized, and I believe there is a strong interest in trying to use these funds to now help to direct and figure out how to best preserve this cultural gem on this island. The scope of the work would be to do the topographical survey, to really make this a community-based effort, doing the conceptual design, identifying the required permits, doing the environmental assessment, looking at construction estimates, what is it going to take to make the improvements needed to preserve this resource, and then to work very closely with the community advisory group throughout the process. So, there will be multiple community meetings to get to a product that everyone can feel good about and sets a clear vision for what can happen in this area. The request is for four hundred thousand dollars (\$400,000) to conduct the master plan. Keith, do you want to do this one?

Mr. Suga: Sure. The next project is the Veterans Cemetery Facility Construction & Improvements Phase II. This particular project will address the existing Communal Hall and do necessary renovation work and improvements to this structure and facility. The existing Communal Hall structure is an open-air facility which provide a covered gathering space for conducting of services, memorials, and family gatherings for deceased veterans who are being interned at the Kaua'i Veterans Cemetery.

In 2010, Iwamoto & Associates, LLC., were contracted to provide two (2) parts, a two (2) phased contract. Phase I being the facility assessment and report on the Veterans Cemetery with the report being completed in February 2013 highlighting the following deficiencies and repairs being needed for site work, building repairs and improvements, as well as electrical work.

In the Phase II portion of their contract, the consultants were looked upon to put together construction drawings and specifications to move forward as what they recommend in the assessment report, to put together those components into a design and bid package.

On the next sheet here, it kind of provides a breakdown of the latest construction estimate from the consultants kind of outlining the cost for the structural work as well as the architectural and electrical work. The total estimated construction cost is just under one million four hundred thousand dollars (\$1,400,000). Currently what has been appropriated in the CIP Budget is about three hundred fifty thousand dollars (\$350,000), and in the last legislative session we were able to get four hundred thousand dollars (\$400,000). Based on the latest cost estimate provided by our consultants, the balance being requested is about seven hundred thousand dollars (\$700,000) for this session.

Ms. Nakamura: We just wanted to let you know that we have briefed Senator Ron Kouchi, Representative Derek Kawakami, Representative Jimmy Tokioka, and Representative Dee Morikawa. We briefed the Senate Ways & Means Committee in August. Just last week, we briefed the House Finance Committee members who were on Kaua'i. They are aware of our request.

Councilmember Kagawa: Thank you for the presentation, Nadine and Keith. Before I open up for questions, I just wanted to make sure I heard you right. You said for Salt Pond they had an election. Is that what you said?

Ms. Nakamura: That is my understanding, and maybe Councilmember Kualii can confirm. There was an election of the families and the organizations from the original families and the successor families. There are officers now representing the salt makers.

Councilmember Kagawa: Thank you. I just wanted to make sure I heard you correctly.

Ms. Nakamura: Yes.

Councilmember Kagawa: Questions? Councilmember Kaneshiro.

Councilmember Kaneshiro: Thank you for the presentation. Do we do a packet like this every year requesting certain projects and a certain amount of money to the State?

Ms. Nakamura: I do not believe it has been an annual request. Previously, when times were bad with the State, I think when I was on your side of the fence, we were told that it was not a good year to be asking for funding because the State was making so many cuts. I think it depends on the year, the fiscal situation.

Councilmember Kaneshiro: What is the likelihood of us getting the money or some money? Would they fund it based on the project? Maybe they will say, "We like the Salt Pond project, but maybe not the helicopter project." What is the likelihood of us getting this type of money?

Mr. Suga: To try to answer that Councilmember Kaneshiro, last year we were fortunate to get some funding through the State Legislature. I believe we had moneys for the Motorola Radio System, I believe we had some moneys for the bus shelter program, and also there was some funding for the Veterans Cemetery. I cannot think of the other two (2) initiatives that were funded. I believe we submitted a total of six (6) – excuse me. Hanapēpē...

Ms. Nakamura: Exactly.

Mr. Suga: Correct. I believe last year through the Representatives and the Senator's packages, there were six (6) County projects. I think only five (5) of them got funded. So, it kind of depends. But I think you are right that they would select the projects that they feel they want to support and they may not choose all.

Councilmember Kaneshiro: Okay. Thank you.

Ms. Nakamura: That is our hope, that they will include some or all of these projects into their own budget request.

(Council Chair Rapozo was noted as present.)

Councilmember Kagawa: I think the Department of Water (DOW) got a big grant.

Mr. Suga: I do not know the specific projects, but I do recall seeing DOW did get some funding for some of their water projects, yes.

Councilmember Kagawa: Thank you. I think Councilmember Chock has some questions.

Councilmember Kagawa returned Chairmanship to Council Chair Rapozo.

Council Chair Rapozo: Okay. Councilmember Chock.

Councilmember Chock: Thank you, Chair. Do we have a priority list on these items from our Administration?

Ms. Nakamura: I think at this point, these are our priorities.

Councilmember Chock: So we will take whatever we can get?

Ms. Nakamura: We will take whatever we can get.

Councilmember Chock: Regarding the Adolescent Treatment & Healing Center, you spoke of the feasibility plan. When is that going to be available?

Ms. Nakamura: We are in the process of working with the Blue Ribbon Committee. We have a working document that is being refined as we speak.

Councilmember Chock: Okay. Is it still the plan to move into creating additional opportunities at the treatment center as was once talked about? I cannot remember if that was here or in a meeting.

Ms. Nakamura: I think there are different components of the project, one being the residential treatment piece and then the other piece which we are also talking about is the assessment center where kids can be brought to get assessed with their families and then can be referred to different resources in the community. It is sort of helping with the navigation.

Councilmember Chock: Okay. Thank you. Thank you, Chair.

Council Chair Rapozo: Councilmember Hooser.

Councilmember Hooser: Good morning. Thank you. A couple of questions. What is before us now is to approve...

Ms. Nakamura: This request to the State Legislature.

Councilmember Hooser: Okay. So, it is for these projects?

Ms. Nakamura: As a grant-in-aid, yes.

Councilmember Hooser: But you have already discussed these projects over the last year with the Legislators?

Ms. Nakamura: Yes we have.

Councilmember Hooser: Did we approve these before? No.

Ms. Nakamura: This is the opportunity to.

Councilmember Hooser: I guess my question or concern is that it would have been nice to have some collaboration with the projects before you went to the Legislators so in case there were some ideas or projects that the Council felt were of a priority, they could have also been included in that discussion. So now we are left to say "yes" or "no."

Ms. Nakamura: We did not schedule those meetings. We did not initiate the meetings with the different Committees. They were on island and we sort of presented our best information at that time. This is really the official request with Council and discussion point.

Councilmember Hooser: Okay.

Ms. Nakamura: But because they were on island, we threw out some of the projects and handed them a summary of the projects.

Councilmember Hooser: Got it.

Ms. Nakamura: Nothing official has gone over.

Councilmember Hooser: Okay. Thank you. Two (2) other questions. The next one would be, what jumps out at me is a lack of any reference to affordable housing or housing at all. So, that is lacking. Was there any consultation with the Housing Agency or was there any projects that were rejected? Why are housing projects not included on the list?

Ms. Nakamura: Last year there were some Highway funds that was set aside as off-site improvements that would support the Lima Ola development and the Habitat for Humanity project. Many of the housing funds are competitive in nature. For example, we have competed for low-income housing tax credits from the State and the Federal level. Those are competitive statewide. So, those would not go through this legislative process. Kamuela Cobb-Adams has also had extensive discussions with Housing Finance Development Corporation (HDFC) regarding Dwelling Unit Revolving Funds. Those again, would not go through this process.

(Councilmember Chock was noted as not present.)

Ms. Nakamura: It would be an administrative process. Those discussions are taking place.

Councilmember Hooser: Okay.

Ms. Nakamura: It is not like we are not doing anything, but there are pots of funds available. If the Council identified a project that you wanted to just go directly for bond funding, we could add that to this list.

Councilmember Hooser: Okay. A follow-up to that. What is the timeframe to adding it to the list? For example, if there was a CIP request for infrastructure, which would accelerate possible affordable housing development in some area; so it would be water, sewer, or roads. So it is a CIP request that we wanted to this list, when would that have to happen because you said we could add it to the list?

Ms. Nakamura: Well, we need to double check. We can find out what would be the last date to send the request over.

Councilmember Hooser: Okay, that would be helpful.

Ms. Nakamura: We can get you the specific cutoff date.

Councilmember Hooser: My final question and then I will yield, the five million dollars (\$5,000,000) for the Adolescent Treatment & Healing Center, is that five million dollars (\$5,000,000) based on—was there a breakdown of cost? Is just seems like a lot of money for a building. The one million dollars (\$1,000,000), is that annual or what is that? If you could talk to that.

Ms. Nakamura: That would be the operating cost. It would be annual operating cost that would be offset by whatever funding that could be secured whether it is Quest, HMSA, whether it is private insurance, or whether it is State funding.

Councilmember Hooser: Okay. Where did that five million dollars (\$5,000,000) figure come from?

Ms. Nakamura: The five million dollars (\$5,000,000) came from the original feasibility study that was done and we are just carrying that over. We have not completed the detailed construction drawings and infrastructure analysis as of today. So we are using the five million dollars (\$5,000,000) number.

Councilmember Hooser: Okay. So I can just get an idea of the scope of the building, what is roughly the square footage just? Again, five million dollars (\$5,000,000) is a lot of money for a building.

Ms. Nakamura: It is. It really would be a cluster of buildings because you have your residential.

Councilmember Hooser: Okay.

Ms. Nakamura: If you think about it as four (4) or five (5) beds in a house with two (2) beds per room, would be one (1) facility. You would have a facility that would be set aside for individual and group therapy. You would have some space for classroom work that will be done and space for staff that would include

your office related program staff and then your clinical staff that would include space for a nurse, your Substance Abuse Counselors, and so forth.

Councilmember Hooser: Okay. Thank you. Thank you, Chair.

Council Chair Rapozo: Councilmember Kualii.

(Councilmember Chock was noted as present.)

Councilmember Kualii: Aloha. Thank you, Nadine. To start out, I will make a statement and add some information about Hui Pa'akai O Hanapēpē, which is the group of families that are the caretakers and the cultural practitioners that make salt. It was probably within the last couple of months that there was an election after a long time not being an election and most of the older officers having passed away. The new President is Malia Nobriga and the new Vice President is Ku'ulei Santos, the new Secretary is U'ilani Corr-Yorkman, and I am forgetting who the Treasurer is. I do not have that file with me. My family is the Makanui family. We are one of the families that make salt. Part of my concern is this Salt Pond Master Plan, who would that be performed by? Is that the Office of Economic Development or someone else?

Ms. Nakamura: It would fall under the Department of Parks and Recreation.

Councilmember Kualii: Oh, the Department of Parks and Recreation.

Ms. Nakamura: So, it would cover the Salt Pond Hanapēpē Beach Park area.

Councilmember Kualii: Right.

Ms. Nakamura: The Salt Pond and...

Councilmember Kualii: So, in your presentation you are mostly taking about the Salt Pond?

Ms. Nakamura: Yes.

Councilmember Kualii: That is why I was confused to begin with.

Ms. Nakamura: Sorry, the map.

Councilmember Kualii: Because I know the Department of Parks and Recreation has a master plan that they are working on for the parks.

(Councilmember Kagawa was noted as not present.)

Ms. Nakamura: Right, and the Department of Land and Natural resources (DLNR) land that is *makai* of the salt. But because all of the interrelationships and the geography, we have to look at it holistically.

Councilmember Kualii: So, DLNR has mostly been hands-off and the County is playing the role primarily because of the park and the road?

Ms. Nakamura: That is correct, yes. But we would definitely want to include DLNR in those discussions.

Councilmember Kualii: Absolutely. All neighbors should be in the mindset of not only preserving, but protecting. I think it is more critical and more time sensitive in a sense, to work on protection.

Ms. Nakamura: Right.

Councilmember Kualii: The one thing I would caution is that with the group now reinvigorated because we have young leaders, is that the County and DLNR or whoever takes a role in trying to help with the salt ponds work directly with Hui Pa'akai O Hanapēpē.

Ms. Nakamura: Right.

Councilmember Kualii: The way to look at it is there is the interior of where the salt makers are, there is the immediate exterior, and then there is even an outer exterior. When you are talking about what is happening inside that area, it is *kuleana*. It is *kapu* in a sense. It is reserved for those families. When you talk about a community advisory group, I hope that whoever is playing that role leading with the County will be aware of that and respect that.

Ms. Nakamura: Yes.

Councilmember Kualii: I love the term "community-based effort" because we definitely need everybody behind this.

Ms. Nakamura: Yes.

Councilmember Kualii: Thank you.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: Yes. I want to commend the Administration for putting a list like this together. I think it is a good way to approach the State Legislature. I fully support the last three (3) projects, the Fire Department Helicopter Hangar, the Salt Pond Master Plan, and the Veterans Cemetery because I think there is a very clear link to the State.

(Councilmember Kagawa was noted as present.)

Councilmember Yukimura: You can see that most clearly with the helicopter, and thank you for your presentation that shows that most of our rescues have been on State property and even our firefighting has been done a lot on State lands or Hawaiian home lands which are outside of our *kuleana*, actually, but we are doing the rescues. It makes so much sense. Just like it made sense to go for the stadium lights project several years ago because of how much the high schools use the project. I really commend that.

I, as you know, do not support the moneys for the Adolescent Treatment & Healing Center because I do not believe you have given us the kind of information, we need to show that it is feasible or that it is the highest priority in terms of adolescent drug treatment. I wanted to ask whether you have responded to the memorandum of June 5th regarding this matter. We asked for a breakdown of all

related cost, construction, and operation assuming cost for potential scenarios, one gender or mixed gender, and types of services offered. We asked for identification of all funding sources to construct and operate including possible alternative funding sources. We asked who will be responsible to oversee the contract and what the necessary qualifications are. We wanted a chart that provided information on the continuum of care services and how the services will be coordinated. That was due on the end of September. You asked for an extension to the end of October, and to my knowledge, we have not received the answers to these questions.

Ms. Nakamura: I should be sending you a request for an additional extension because as I mentioned earlier, we are in the middle of working with the Blue Ribbon Committee on the financial feasibility study.

Council Chair Rapozo: Nadine, I am going to stop you there because we have to take our caption break. We will take our ten (10) minutes caption break here. We will be back in ten (10) minutes. For the Island School students, if you want to get up and ask Councilmembers questions, feel free to do so. We will take a ten (10) minutes caption break at this time.

There being no objections, the meeting recessed at 10:30 a.m.

The meeting reconvened at 10:41 a.m., and proceeded as follows:

Council Chair Rapozo: Nadine, you can continue. You were talking about the response to Councilmember Yukimura's questions when we left off.

Ms. Nakamura: Can you repeat your question?

Councilmember Yukimura: I asked about the memorandum that we sent to you on June 5th.

Ms. Nakamura: Okay.

Councilmember Yukimura: And giving you a deadline until the end of September. You asked for an extension until the end of October, which has come and gone.

Ms. Nakamura: Right. We will be requesting another extension because as I said earlier, we are in the middle of doing the financial feasibility study. It has taken a little longer than expected. In between, we included a survey of various social service and government agencies to get a general sense of how many of them might be interested in space at this facility. We just wanted to get better information. It is taking a little longer.

Councilmember Yukimura: Well, is it not premature to be asking the Legislature for money before you have even the basic information about how this building is going to be used and operated?

Ms. Nakamura: I think we have basic information on what the primary use will be of the building. It is the additional accessory uses that we wanted to get some information on to see if there was any revenue generation potential.

Councilmember Yukimura: The thing is you have not yet shown us how you are going to finance the operations. With two (2) other neighbor island adolescent treatment centers that have closed down because of the inability to operate, how can

we ask the Legislature for money to build something we do not even know is going to operate? What happens if after a year a two (2) of operation we close down? That is wasting five million dollars (\$5,000,000) of taxpayer money. The building is out in a very isolated area. It is not like you can use it for other purposes. You cannot reach it by bus. It makes no sense to provide a lot of the human services or even drug related services out there, which is so inaccessible to clients and to youth who cannot drive.

Ms. Nakamura: I think that is what we wanted to try to layout in our financial feasibility study. We will have that. We will be sending that to you.

Councilmember Yukimura: Who is doing your financial feasibility study?

Ms. Nakamura: There is an existing study that was done, then we received information from the RFI, and we did site visits to some of the facilities on O'ahu. So, there is a lot of new information that we are incorporating. We are talking to the current providers of services on O'ahu to find out different sources of funding that they are using now and they potentially could be using, but are not exploring. So, there is additional information that we will be adding to the initial feasibility study, and that will provide better guidance.

Councilmember Yukimura: What if your updating of the feasibility study affirms the feasibility study conclusion that an adolescent treatment center is not feasible if the Department of Health (DOH) is not willing to allocate the Federal moneys that comes to the State for beds for such treatment centers? If they give the allocation to Kaua'i, then the center on O'ahu, Bobbie Benson, will be short and will not be feasible to operate either. What happens if...

Ms. Nakamura: Some of the things that we are looking at Councilmember Yukimura, is having discussions about whether under the contracts that have been awarded to some of the providers whether they are able to move any of their bed space to Kaua'i whether it is one (1) or two (2) beds. That would help with the operations initially while these contracts are tied up, and when they are up for renegotiations at that time, we could perhaps ask for additional beds. These are usually multi-year contracts the DOH awards. So, we are having those conversations.

Councilmember Yukimura: I think two (2) beds and a five million dollar (\$5,000,000) building does not quite jive.

Ms. Nakamura: That is why what the feasibility study did not really explore fully was private insurance and other sources of potential operating funds.

Councilmember Yukimura: I believe the author of the feasibility study did explore private insurance. It was a very thorough study.

Ms. Nakamura: Okay. I did not see that in the revenue projections. So, I would be happy to take another look at it.

Councilmember Yukimura: Please speak to the Family First contracts whom we paid moneys to do the feasibility study. It seems like the desire to have the Adolescent Treatment & Healing Center on Kaua'i is primarily so that families can visit and that those in the drug treatment center are able to have their contact with

families, have you explored the possibility of paying for families to fly to O'ahu and have those one (1) or two (2) beds in O'ahu used for Kaua'i families?

Ms. Nakamura:

No we have not at this point.

Council Chair Rapozo: Hang on real quick. Now we are getting into the debate out whether or not we should have an Adolescent Treatment & Healing Center here on Kaua'i. I think the bill on the floor is a CIP bill for the State Legislature. If you feel that they have not made their case for a drug treatment center on Kaua'i, then you do not support it. I think we have had the discussion. I think we are aware of each other's objections, disagreements, or not ready to approve. I think for now, I mean, I do not want to get into a whole debate, not at a Council Meeting, on again, the arguments of whether or not we should have this here. If that is the case, we will take that out and we will have that in a Committee Meeting at some point. I am more interested in getting whatever we can agree on today to get this moved on. We have set a deadline for the County package for November 27th. That would be the deadline for all Counties. That is a Friday so it would be on the 25th, which means we have about three (3) weeks to get a final approval which would mean we would have to get it done in two (2) weeks because the next Council Meeting before the deadline is in two (2) weeks. We do have time for a Committee referral and then a final vote at the next Council Meeting if we cannot agree on any of these items. Now we are getting into the discussion on the actual feasibility and I think the discussion is are we ready to spend five million dollars (\$5,000,000) on a facility if we do not know that feasibility. I think that is what I am hearing from Councilmember Yukimura. I think we all know by now what the feasibility showed, what the consultant said, the different options of running that facility, and the question today is really, are we ready, number one, to vote on this today? If not, we will send it to the Committee. If you do not think it is ready, then you vote "no" and then we move on.

Councilmember Yukimura: I would like to continue my questioning. The questioning is as to the feasibility of the center because if it is not feasible, why are we asking the Legislature for five million dollars (\$5,000,000) and how are we going to support it? They are going to ask more questions than I am asking. Until we answer that question as a County and show that there is a consensus for this, we should not be going in front of the Legislature. I have asked the questions in June and the Administration promised me in June that you would get the answers because these questions are fundamental to the feasibility and successful operation. If we are not going to have a successful operation, we are not going to be helping our kids.

Ms. Nakamura: Just keep in mind that the feasibility study will make many assumptions about potential funding sources that cannot be secured as of today. There will not be a commitment in writing from the State until you have a project up and running, something where you can actually secure an operator to run, right now, we have a blank piece of land. There will be many assumptions in the feasibility study, but it will articulate those assumptions upfront and it will hopefully show that this project is feasible.

Councilmember Yukimura: The feasibility study that was done in 2013 by a highly experienced and competent firm that ran these treatment centers in Silicon Valley and did a very thorough survey of the funding said that this project would not be feasible without a commitment from the Department of Health to funding, I think, four (4) or eight (8) beds.

Councilmember Kagawa: Point of order, Mr. Chair. Can we ask questions at this time and we can have discussion later? I think it is just...

Councilmember Yukimura: I am asking questions.

Councilmember Kagawa: The first five (5) minutes, she gave all discussion before one question came up.

Council Chair Rapozo: I understand.

Councilmember Kagawa: And we can go back to the minutes and trace that.

Council Chair Rapozo: No. I am trying to make a point. I understand there are some questions and I can understand the passion. But again, we are reliving this. We discussed this on many occasions at various Committee Meetings. So, I would ask that we address the issue at hand which is the request from the State which is the five million dollars (\$5,000,000). What I am hearing from Ms. Nakamura is that they are still in the process. I think the reality is before the State writes a check for five million dollars (\$5,000,000), they are going to make sure that the County is prepared, ready, and that the project is feasible. They are not going to just write a check for five million dollars (\$5,000,000) because the County said they want it. This is basically an opportunity to seek some kind of subsidy from the State if in fact the County is ready to move forward. Again, limit the questions to the five million dollars (\$5,000,000) request.

Ms. Nakamura: Can I add one (1) other piece that goes along with what you just said, Chair? Senator Kouchi has arranged so that the Mayor, myself, and Theresa Koki will be meeting with Ways & Means Chair, Jill Tokuda, to specifically ask the question about potential bed spaces that they can help to subsidize on Kaua'i. So, she like the community-based approach that we are discussing and a meeting will take place probably toward the end of this month.

Council Chair Rapozo: Okay.

Councilmember Yukimura: May I finish asking my questions?

Council Chair Rapozo: Again, limit it to the...

Councilmember Yukimura: I just want to say the reason we are...

Council Chair Rapozo: "I just want to say" is not a question, Councilmember Yukimura. Start it with a question.

Councilmember Yukimura: Alright. I was not aware that the Legislature that the Legislature is the one that gives out bed support.

Ms. Nakamura: The Legislature Ways & Means Committee Chair, Jill Tokuda, said she would like to have the Head of the Department of Health at this meeting.

Councilmember Yukimura: That is fine. I think you have already had a meeting with the Head of the Department of Health, right? At that meeting, what did they say about the beds?

Ms. Nakamura: That at the time, that there are no funds available for the beds as they were tied up in contracts.

Councilmember Yukimura: Okay. Until when?

Ms. Nakamura: I need to double check, but I think it is 2018.

Councilmember Yukimura: Did you ask for a commitment after 2018?

Ms. Nakamura: We did ask whether they would be willing to look at the flexibility of moving beds from existing awardees to Kaua'i, and they said they would need to go back and take a look at the contract. So, we will be following up on the piece.

Councilmember Yukimura: Okay.

Ms. Nakamura: To see if there is an opening there.

Councilmember Yukimura: Okay. When will you have the answers to these questions that were submitted on June 5th?

Ms. Nakamura: We would like to get something to you early December.

Councilmember Yukimura: You want us to make a decision on this before we get the information?

Ms. Nakamura: Unfortunately, our internal timeline to complete the study and then the timeline to request the State grand-in-aid does not jive. So, yes, we are asking for this commitment.

Councilmember Yukimura: Okay. Thank you.

Council Chair Rapozo: Councilmember Kagawa.

Councilmember Kagawa: Thank you. What was the total ballpark amount last year that the State gave to the County of Kaua'i in CIP requests?

Mr. Suga: I believe it was around five million dollars (\$5,000,000) to the County here not including the Department of Water projects.

Councilmember Kagawa: The Department of Water, I believe was in the neighborhood of one million five hundred thousand dollars (\$1,500,000).

Mr. Siga: I think it was almost two million dollars (\$2,000,000) for DOW projects, yes.

Councilmember Kagawa: So, that would be about seven million dollars (\$7,000,000).

Mr. Suga: Total.

Councilmember Kagawa: Because I think it would be reasonable to expect that we would get somewhere around where we had last year given same revenues and such. Is that your hope?

Mr. Suga: Yes.

Councilmember Kagawa: Second question. The National Memorial of the Pacific is the Veterans Cemetery at Punchbowl. The Federal government oversees and pays for building maintenance, et cetera. Have we even asked the Federal government to kick in any funds for our Kaua'i Veterans Cemetery and what is the status of Maui County and Hawai'i County? Do they get funding for their veterans cemetery from the Federal government for building or maintenance because I am thinking that maybe that is a source that we can look to.

LEONARD A. RAPOZO, Jr., Director of Park and Recreation: For the record, Director of Parks and Recreation, Lenny Rapozo. Councilmember Kagawa, everything is funded through the Department of Defense through the State. So the moneys, we have never asked the Federal government for moneys. It is usually being administered or the upkeep is working through the State. We get some reimbursement through State funding for each burial that we do, which is very minimal, but no we have not asked the Federal government.

Councilmember Kagawa: Is it that same as the other Counties? Can we check?

Mr. Rapozo: Yes. Interestingly, all the neighbor islands are County run.

Councilmember Kagawa: Except?

Mr. Rapozo: Except Punchbowl.

Councilmember Kagawa: The Federal government takes care of Punchbowl in O'ahu?

Mr. Rapozo: Yes, and there is another one.

Councilmember Kagawa: And the outer islands get nothing even though we pay the same amount of taxes?

Mr. Rapozo: There is another in Kāne'ohe too that the State also takes care of.

Councilmember Kagawa: So, the State takes care of one in Kāne'ohe, the Federal government takes care of the one at Punchbowl, and the Counties take care of all of their neighbor islands?

Mr. Rapozo: Yes.

Councilmember Kagawa: Do we get a discount on our Federal income taxes for that?

Mr. Rapozo: Not that I am aware of.

Councilmember Kagawa: No. Okay, I am just checking. My last question, and this is a general question, Nadine, for you and the Mayor. Councilmember Yukimura has a legitimate concern. I will acknowledge that. Should all of the arrows point to the five million dollars (\$5,000,000) being a waste of time because the feasibility study shows that it is not lining up, it is going to fail like City & County of Honolulu. I am saying "if." Will the County Administration come to the Council and say, "Hey, we have a problem. This may not be a wise way to spend our taxpayer money. Perhaps we should go back to thinking about how we can utilize services in Honolulu."

Ms. Nakamura: Yes. I think that is a legitimate question, and at the time of the feasibility study, we will have to make that determination whether if it will be self-sustaining or whether it will require an ongoing subsidy, who will provide that subsidy, and is the State going to step in to really do the work that they are tasked to do. Is the County willing to address a shortfall if that is what the financial feasibility study says is going to be needed or we decide to not pursue this route? I think those are the options.

Councilmember Kagawa: Okay.

Ms. Nakamura: Until those questions are answered, it would be very difficult to sign a construction contract.

Councilmember Kagawa: Thank you.

Ms. Nakamura: But I think we need to go through this process in order to have the funds if we are ready to move on it.

Councilmember Kagawa: We want to gather the funds now from the State, who we think should be kicking it in, and be ready to move on this as soon as possible and we are going to try and rush the feasibility study to accommodate it should we get the grant?

Ms. Nakamura: Yes, because I believe that Councilmember Yukimura is right, that these questions will be asked of the Legislature and we should have the answers.

Councilmember Kagawa: Thank you. My final question...

Council Chair Rapozo: How many of them do you have?

Councilmember Kagawa: No, this is my second final.

Councilmember Yukimura: Starting to sound like me.

Councilmember Kagawa: Is the request in order of priority? So, we want the Adolescent Treatment & Healing Center at number one? I am wondering when the State Legislature looks at it, if they have four million dollars (\$4,000,000) to give us, they will decide which ones they will fund, and I do not know if they work that way. Councilmember Hooser probably knows better. I am wondering if we have a priority, 1 through 5, or is it just we want whatever ones you feel is important?

Ms. Nakamura: As I said earlier, I believe these are our priorities.

Councilmember Kagawa: Okay.

Ms. Nakamura: We cannot tell the Legislators representing Kaua'i which ones to put in their package or not.

Councilmember Kagawa: Thank you.

Ms. Nakamura: Last year, they chose which ones they wanted to include, and some of them were not included.

Councilmember Kagawa: So this is a priority, but we are not putting numbers on it?

Ms. Nakamura: Of the Administration.

Councilmember Kagawa: It is our Kaua'i Administration's priority, but we are not really telling the Legislature what to do?

Ms. Nakamura: We would like all of them to be funded.

Councilmember Kagawa: Thank you. Thank you, Chair.

Council Chair Rapozo: Okay. Councilmember Chock.

Councilmember Chock: Thank you. I had a question. I do not know if this is a Lenny question.

Council Chair Rapozo: Sorry Lenny. Can you come back up, please?

Councilmember Chock: Regarding the Salt Pond Mater Plan, I know we have transitioned the cesspools, but is that part of this discussion as well? I know there was continued concern even after transition. I was just wondering, I know it is not a whole of money, but is that at least part of the discussion in terms of its relation to Salt Pond?

Mr. Rapozo: You mean the wastewater?

Councilmember Chock: Yes.

Mr. Rapozo: Public Works has a project that they are working on that was funded maybe two (2) budgets ago.

Councilmember Chock: Okay.

Mr. Rapozo: Seven hundred thousand dollars (\$700,000). The system itself is not the problem at the park. It is getting the treated water out from instead of going into the leech fields, they are working on a project that would take that water from the park to the sewer system, which is at the housing right across of the Veterans Cemetery.

Councilmember Chock: Okay.

Mr. Rapozo: So that project, I believe, is still ongoing. It is a Public Works project.

Councilmember Chock: Okay. So, it is a separate project?

Mr. Rapozo: Yes. The master plan project, if I can add on to what Nadine was saying earlier, this is all part of our Administration's effort with stewardship agreements to preserve culture. So, we want to try and preserve the salt making culture.

Councilmember Chock: Thank you.

Councilmember Yukimura: Follow-up. Lenny, you said about the sewage system going up to the houses, it is there (inaudible)?

Mr. Rapozo: My understanding is that the sewage or the sewer...

Councilmember Yukimura: Sewer line.

Mr. Rapozo: Sewer line ends at the housing.

Councilmember Yukimura: Right.

Mr. Rapozo: So, that is to make that connection from that connection from the housing to Salt Pond Park.

Councilmember Yukimura: That is already budgeted for?

Mr. Rapozo: That was budgeted, I think, two (2) budgets ago and I think it is an ongoing project that Public Works is managing.

Councilmember Yukimura: We can expect that in the next couple years, we will get a sewer line to the park and take care of that overflowing septic tank problem?

Mr. Rapozo: The effluent, which has been problematic in the past, yes.

Councilmember Yukimura: Right. Did you have...

LYLE TABATA, Deputy County Engineer: Lyle Tabata, Deputy County Engineer. To clarify Councilmember Yukimura, the system at Salt Pond has always been a septic system since the large cesspool conversion. The issue had been not enough capacity in the distribution of the effluent in the leech field. So, that was the problem, not the septic system overflowing. It was the leech field not having capacity.

Councilmember Yukimura: Okay.

Mr. Tabata: So that had been updated; however, the salt community asked us to relook at the system. We are conducting are an engineering study to determine the feasibility and do a preliminary design for us to either pump raw sewage or just the effluent to connect to the 'Ele'ele system at that housing area.

Councilmember Yukimura: Okay. It does involve pumping, so there will be an operational cost?

Mr. Tabata: Right. We are trying to do it the most efficient way.

Councilmember Yukimura: Yes, cost-effectively.

Mr. Tabata: Yes.

Councilmember Yukimura: Okay. Thank you. The bottom line is that there is a plan to be some connection to take away either the effluent or the sewage. You are determining what is going to be the most cost-effective.

Mr. Tabata: Right.

Councilmember Yukimura: But the plan is it will go into the sewage system?

Mr. Tabata: Yes.

Councilmember Yukimura: Yes, and not be a localized septic treatment?

Mr. Tabata: Standalone unit, yes.

Councilmember Yukimura: Yes. Okay. Thank you.

Council Chair Rapozo: Thank you. Councilmember Kaneshiro.

Councilmember Kaneshiro: Sorry for making you folks play musical chairs, but I think it is a question for Nadine. As I think about these projects, I put myself in the State position and I am handing out money, I am trying to think are there any projects that we can use that has synergies with the State, say like Wailua corridor road improvements where the County is going to do some improvements on our end, try to combine it with the State doing improvements on theirs. I realize we probably only have a certain amount of money because maybe we have five million dollars (\$5,000,000) last year and they are looking at maybe giving us around that range again, and maybe highway improvement costs a lot more money. But I think if I was the State giving out money, if you folks came in and said, "We have a plan. Traffic in this area is really bad. We want to do these improvements to improve it, we have been working with the State personnel, and they want to do this. So, we need this much money for our section." Are there any other projects kind of like that, that maybe we could try and angle for with the State that is kind of like let me help you also. If this is a problem for the State and us, let us try to work on funding projects that help both of us.

Mr. Tabata: Councilmember Kaneshiro, Lyle Tabata, Deputy County Engineer again. To clarify, we are working with the State. Last year, we were invited to participate in the Kapa'a area short-term improvement project discussions. There were a number of projects that arose from that discussion and are still in the process of being finalized. So, many of the projects include County and State driven projects, and money will flow through the Statewide Transportation Improvement Program (STIP) process to the County to create and then implement these plans. So, it is a different source of funding. We are trying to maximize all use of Federal Highway funds. The projects will end up being eighty percent/twenty percent (80%/20%) or in some case, one hundred percent (100%) State and Federal funds and not County at all.

Ms. Nakamura: I think that dialogue, working on the Kapa'a solution, short-term plan, was good because it also raised some of the additional projects that we really need to work together on. We can identify certain routes that may not currently qualify for State funding, but if we can work together, they can help us to get it qualified for Federal aid. It is just that back and forth dialogue. I think the Wailua emergency route is one of those projects where we are having dialogue with State Department of Transportation (SDOT), they have identified it. In talking to Ray McCormick, he wanted to use of their funds to do some of the short-range upfront planning work that needs to be done and then ask for the funds. There is dialogue going on, and I think we need to encourage more of that.

Councilmember Kaneshiro: Okay, and I appreciate it. Just knowing that there is a lot of different funnels that we are trying to do as much as we can and these are not the only projects we are trying to get money from the State. I know you mentioned we are working on housing and trying to get money for housing too. Thank you for that answer. You gave me hope that hopefully we can work with the State on certain projects that would really help us. Thank you.

Council Chair Rapozo: Councilmember Kualii.

Councilmember Kualii: Thank you. Lyle, before you walk away, you talked about conducting an engineering study on the septic system. Do you know of an engineering study in 2011 or 2012? I believe the Council approved maybe around one hundred fifty thousand dollars (\$150,000) for a hydrological study. It was meant to look at the sand dunes and how users of the beach park are actually driving up on the sand dunes and it might be impacting the underground aquifers that are critical to the salt makers. I think it was Auntie Janet Kahaleikomo and some others that brought it forward back then with Chair Furfaro's support. There was moneys put aside for a hydrological study?

Mr. Tabata: Yes, and I would defer to the Parks Director.

Councilmember Kualii: Okay.

Mr. Tabata: Because it was a Parks project. Oh, OED.

GEORGE K. COSTA, Director of Economic Development: *Aloha.* George Costa, Director for the Office of Economic Development. Actually, it was an OED project. Former Chair Furfaro, in our 2010 or 2011 budget, put ninety thousand dollars (\$90,000) for a hydrological study. It was mainly to see how the salt pond works. It was discussed with the Mayor and what the Mayor wanted to do was do outreach with the families first before we started infringing upon their area to do a study, any kind of study. The Mayor wanted to conduct outreach between the families. The outreach has taken us about three (3) years trying to talk to the families, not only for the study, but just from the County perspective, how can we help with the septic system and with the feral cats. There is a lot of issues besides trucks driving on the beach. We have been able to talk to many families, and we are really glad to see that the families come together. They had the election and hopefully the next step is we can all meet and see how the County can help. The study is one of those things that we would like to proceed with. We just want to make sure we have approval from the families before we do anything there.

Councilmember Kualii: I would just say that so it is great that we have gotten to this point and that it of course it was important to get the *mana'o* of the families and that they are now in a better position with the new board and

everything. But I want to make it clear that the use of the beach is either the State and/or County's responsibility and that as long as the County and the State continues to allow access, in fact, I believe there is a State law that you are not even supposed to be driving on the beach. But it is sad to say that people are driving on the beach all over. I know firsthand in Anahola. Nobody is enforcing that law. But here, it is even more vital because they are driving on the dunes. Potentially, I am no scientist, the study was meant to prove it. I am no scientist to say that their driving on the beach is causing the sand to do something to the aquifers. But just look at the recent history now. Since there has been more driving on the beach up on the dunes and parking in the dunes and all in that area, which my personal opinion is that it should be roped off. We have had poor seasons, failed seasons. In the last five (5) years, we have had minimal ability to make salt just based on nature, the swells, the aquifer, the rain, or whatever. That is really uncommon. So, it has to be being caused. Doing that study is pretty critical. I bet if you talked to the new board now, they will make it clear for you. So, make sure that somehow this money is spent on the most important things first.

Mr. Costa: Okay. Actually...

Councilmember Kuali'i: I had another question for Lenny.

Mr. Costa: Councilmember Kuali'i, if I can ask your
kōkua to help us...

Councilmember Kuali'i: Absolutely.

Mr. Costa: ...broker that meeting with the board. That
would be great.

Councilmember Kuali'i: Yes, absolutely. I will continue to do that.

Mr. Costa: Alright. *Mahalo*.

Councilmember Kuali'i: I had one more question for Lenny. It just...

Council Chair Rapozo: Wait. Any more questions for...

Councilmember Kuali'i: For George?

Council Chair Rapozo: Yes. Let us try to get this done in a...

Councilmember Kuali'i: Back and forth.

Council Chair Rapozo: Any more questions for George as far as Salt
Pond? Okay. Lenny now.

Councilmember Kuali'i: Maybe Nadine could have answered it, but I
am not sure. She might have looked back for Lenny.

Council Chair Rapozo: Well, we have both of them here.

Councilmember Kuali'i: I just want to have clarification because there
has been big plans for the Salt Pond Beach Park in the sense of in the future, next
five (5) or ten (10) years. Big dreams about expanding that park to become sort of
like the super park of the west side, right? Lydgate Beach Park is the super park of

the east side with improvements, expansion, and what have you. There is big plans in place for the future or being worked out with the community. I was thinking of that as the master plan. But now, this is some smaller component that is specifically about the stewardship project and the Mayor has places all over the island like Kaneioulouma in Po'ipū, the *hula* platform with the different families in Hā'ena, and whatever. This is more along the lines of the stewardship of the salt ponds as far as the salt makers?

Mr. Rapozo: Correct.

Councilmember Kualii: Or is this everything?

Mr. Rapozo: No, this is a stewardship. It is all part of it. Looking at that whole area and there has been discussion about, as you had mentioned, that after we complete Po'ipū renovation, that may be the next park to be a super park to do the same type of renovations.

Councilmember Kualii: But that is separate even though it is the neighbor and the impacts?

Mr. Rapozo: That is a maintenance project as opposed to this master plan project dealing with the stewardship of the salt makers. You yourself has mentioned the invasive things that are going on. We notice not only with the vehicles, but people. They are in the salt area. So, part of the idea and the master plan, of course we will discuss it with the families. We want the families to be in charge and do the stewardship as a possible cultural center across the street at the former location that was supposed to be the Adolescent Treatment & Healing Center. We would hope that they would consider that be a cultural center where somebody could actually show the art of making salt there, that way people would not have to go into the patches and disturb whatever activity is going on there. Maybe we can put a platform so people can view it. Some other discussion, and we have gotten some favorable feedback from DLNR is that possibly expanding the park area to include across the street from where the cultural center would be. We would move camping out of the Salt Pond Beach Park and put camping there, that way Salt Pond Park can be for family days. Maybe hopefully that would alleviate some of the driving on the beach because the park is full of activity. So, those are some of the scope of work or the ideas that we have come up with that we would want to incorporate in this master plan for this area.

Councilmember Kualii: With this project, what is the involvement of DLNR?

Mr. Rapozo: They own the land.

Councilmember Kualii: But other than that.

Mr. Rapozo: The other land belongs to the Department of Transportation (DOT).

Councilmember Kualii: They are supportive of...

Mr. Rapozo: In my informal discussions with them, yes. They have no intentions of using the land that we would be asking for the camping ground, which would just be grass, tables, and a comfort station.

Councilmember Kualii: Does the County see any potential partnerships with the Office of Hawaiian Affairs (OHA) for maybe additional funding?

Mr. Rapozo: If you would send something over to say maybe the possible funding, we would definitely be open to looking for funding.

Councilmember Kualii: Okay. I would be happy to help with that.

Mr. Rapozo: This project is actually a coordinating project between OED and Parks. So, George may have some other comments that he would like to share.

Mr. Costa: Part of the outreach to the agencies, we did invite the DLNR Director Susan Case, over to Kaua'i twice already. Her first trip in August or July was looking at north shore concerns. Then, the last trip she made out here was last month.

(Councilmember Kagawa was noted as not present.)

Mr. Costa: We actually spent part of the day having lunch at Salt Pond in the pavilion and we had members of the Hui O Pa'akai there to talk about their challenges that take place. She was very interested and she did commit verbally to assist us in whatever way we need to help the families but also help look at that idea of a master plan. So, we do have DLNR's support. We also met with former DLNR Chair Bill Aila when he was in charge three (3) years ago when we first started talking about the idea, and the idea of moving the boulders, restricting traffic on the beach and people camping. He was very supportive as well.

(Councilmember Kagawa was noted as present.)

Mr. Costa: We are continuing to work with the State and partner with them.

Councilmember Kualii: Okay. Thank you. I will just say it one more time. I said it to Nadine earlier. It is critical that you work with Hui Hāna Pa'akai O Hanapēpē, and recognize the special *kuleana* and reservation, if you will, for these families with anything that happens within the area. Think of it as the ponds from the interior, the immediate exterior of which the State and the County are neighbors, and then the further exterior. How you involve the community, and obviously, Lenny you talked about the former Humane Society site. That is clearly County property. That sounds like a good idea to me, but I do not even speak for the board. I am not a board member. My family is a member. I mentioned the officers and look forward to helping however I can and doing that important work. Thank you.

Mr. Costa: Thank you.

Council Chair Rapozo: JoAnn, I got you next. I just have a real quick follow-up question. You said Bill Aila at the time was very supportive of putting up the boulders and blocking access to the beach.

Mr. Costa: Yes. I had gone and I took pictures. I documented what was going on. In fact, I have it in this file here where there is large boulders that were placed to restrict traffic and then at some point, they were moved

to create more parking. In moving those boulders, it actually opened up the area where now four-wheel drive trucks can...

Council Chair Rapozo: Hold on. Somebody's phone is beeping or dinging or donging. Can you turn off your phones, please, or put them on silent? Thank you.

Mr. Costa: I presented those pictures to Bill at the time and said, "What can we do to move these boulders back," because I thought they were on the beach camping that it was clearly DLNR. But according to Bill, he said, "No. You can probably move these boulders back because it is actually DOT airport's property." Work with the airport. But Bill recommended that like the Mayor, work with the families and instead of just moving the boulders because people have gotten accustomed to being able to drive on there, have some kind of outreach to let the public know that at some point, we are going to move these boulders because this is a culturally significant area and really, people should respect the area.

Council Chair Rapozo: I guess that is my question, George. That was three (3) years ago you said.

Mr. Costa: Right.

Council Chair Rapozo: In three (3) years, what have we done? In fact, the Council of the past put a special treatment area cover or a layer on this property. It is culturally significant. I understand that the families want to be able to drive on the beach, but it is like allowing someone to drive on a graveyard. You would not allow that.

Mr. Costa: Right.

Council Chair Rapozo: I mean, it is the same thing in my opinion. Why have we not moved forward? Are you aware that prior to the hydrology study being done, the Chair at the time, Kaipo and myself went out and took pictures? There was oil coming up in the wells in the salt beds. In the wells, there was drops of oil coming up. The only thing we could attribute that to was the County putting the asphalt to make it more passible for the vehicles and not thinking that the heat melts the oil and the tar in the asphalt, seeping it into the water table, and getting it right into the wells. That was the reason for the hydrology study request. The families had asked for it. I do not understand when you say the Mayor wanted to go back to the families. They were the ones that asked for that because they were concerned about the oil in the beds. Three (3) years is a long time. Are we going not move forward or get their permission because that is a critical issue? I am hoping the County is going to take a more active role on protecting that area because once that is gone, we are not getting that back. I do not know what you folks are...

Mr. Costa: As I mentioned, we talked to the families individually, but now we are at that point where they have come together. It sounds like we all agree. If it can be done tomorrow, we will do it tomorrow, moving the boulders. There is a large parking area for the public to park. There is no reason why people need to be driving on the beach. If we can make that change immediately, great.

Council Chair Rapozo: Whose decision is that?

Mr. Costa: What is that?

Council Chair Rapozo: Whose decision is that to put up the boulders?

Mr. Costa: I am not too sure. I do not know who put the boulders there in the first place. It is on State land. We can ask DOT. We can work with DOT. We have worked with them in the past to move those boulders and just restrict traffic. We can put a gate. I think the other thing too is put in a gate and people can walk to the beach. It is only one hundred (100) yards from the parking area as opposed to driving on the beach.

Council Chair Rapozo: Okay.

Mr. Costa: We can coordinate something.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: I just want to note that the last two (2) speakers have given a lot of narrative besides questions, and I do not oppose that, but I would like to have the same thing. I do not want to be the only one called on it. My question is for Managing Director Nakamura. Since you have acknowledged that there is a possibility that the Adolescent Treatment & Healing Center may not be feasible, I hope the Administration is holding off on the expenditure of five hundred thousand dollars (\$500,000) for an Environmental Impact Study (EIS) and architectural services because it would seem to be premature until we are sure that it is feasible and we want to move ahead. I hope you are doing that. Are you doing that?

Ms. Nakamura: As I said, we are in the middle of doing the feasibility study and there have been some expenditure of funds to survey the property and so forth, but we know that we need to be careful about making sure we complete the feasibility study before major work begins on the next phases of work.

Councilmember Yukimura: If the facility is not feasible, then there will be no need to survey the property. I have questions now for a Centralized Auto & Equipment Repair Shop.

Council Chair Rapozo: Hold on real quick. Is there any more questions on the Adolescent Treatment & Healing Center request? The other question I have real quick, and members of the audience, how many of you are here to testify on the Real Property Tax Bill or the Barking Dog Bill? Members, I would ask that we take a break from this issue here otherwise we are going to go through to lunch and the members will have to come back. We have a 1:30 p.m. public hearing, and I want to accommodate the people that are here to testify so they do not have to come back after lunch, if that is okay. Councilmember Yukimura.

Councilmember Yukimura: I do not know why we are always taking breaks when I am asking the questions.

Council Chair Rapozo: Well, because you ask the most questions, Councilmember Yukimura. It is the law of averages. The more you talk, the more chances you get to be...I am just thinking of the public.

Councilmember Yukimura: I do not believe this morning I have been the one asking the most questions.

Council Chair Rapozo: I just want to accommodate the public that has been here since this morning. I do not recognize many of them. I am assuming it is for new items, and I am just trying to give them an opportunity. We have the County people here forever. I am just suggesting it. If you folks do not want that it is fine. We will move forward. We are at a break, Councilmember Yukimura. I am not interrupting you within the same subject.

Councilmember Yukimura: Are we having a break right now?

Council Chair Rapozo: No. I am asking if it is...

Councilmember Yukimura: I was asking questions.

Council Chair Rapozo: No, you were going to go to a new area. Councilmember Hooser has asked me during the break if we could take those Bills upfront. I am trying to accommodate Councilmember Hooser's request, as I do with all of you. We are at a point where we stopped at one subject, we are going to a new one. It is a good time to break. I did not interrupt you during the Adolescent Treatment & Healing Center. I am just asking. If you folks do not want to do it...

Councilmember Yukimura: We are on the subject of the Legislative package.

Council Chair Rapozo: Right, but we are done with Adolescent Treatment & Healing Center. You were going to move to the...

Councilmember Yukimura: No, we are done with Salt Pond.

Council Chair Rapozo: I do not know. She hears some things. I just said, "Is there any more questions on the Adolescent Treatment & Healing Center item?" None. I saw it as an opportunity to move on and accommodate the public. If you folks do not want to do that, we are moving forward. Councilmember Kagawa

Councilmember Kagawa: I am okay with Councilmember Yukimura continuing, but I want us to try and if we can, gauge how fast we can get through this and then at least take all of the public testimony on both, the Real Property Tax and the barking dogs because it is both for first reading. I do not expect members will have much questions for the Administration on first reading. We can do that in Committee as long as we are cognizant that we have 12:30 p.m. lunch. Those are the facts.

Council Chair Rapozo: I am not suggesting that we take those Bills now. I am suggesting that we take a break from here, get the public testimony on those two (2) bills so they can leave, and we come back to this item to finish the item. That is all I am suggesting. Again, it is to accommodate the public. We can inconvenience the Administration because we pay them, but I do not want to inconvenience the public. That is all. Councilmember Yukimura.

Councilmember Yukimura: I do not believe I have a lot of questions on the Centralized Auto Maintenance Facility. But I also want to point out that if we had not removed the rule that allowed people to speak at the beginning of the meeting, they could have come and all spoken and we would not have to have this kind of interruption of subject matter. I would like to just finish my questions.

Council Chair Rapozo: I hate having to defend myself. But I will tell you that there have been numerous occasions where members of the public had come up and said, "Is it a possibility to speak before the item because I cannot be here all day?" This Chair has allowed every single one of them to do so, JoAnn. So, do not make it like I deny people the opportunity to speak because I have never done that. Please. Anyway, what is the pleasure of the Council? Councilmember Hooser.

Councilmember Hooser: Thank you, Chair, for remembering my suggestion about letting the people speak. I am hoping that they will be able to testify before lunch rather than have to wait and then with more for the public hearing and then come back. If Councilmembers can wrap up their question in another five (5) minutes, we take a break, and we can always come back to it after that period, I am okay with that. I would like to accommodate the public who has been sitting here so patiently all morning.

Council Chair Rapozo: I will just say that in my experience, I do not think we can wrap this up in five (5) minutes. We still have the helicopter.

Councilmember Hooser: I meant any pending thoughts that are on the table right now

Council Chair Rapozo: Okay.

Councilmember Hooser: Otherwise, I agree with you. We are not going to wrap up the whole agenda item.

Council Chair Rapozo: Right. Let us move to the Centralized Auto Maintenance Facility. Councilmember Yukimura.

Councilmember Yukimura: Thank you.

Councilmember Kualii'i: Can you do it in five (5) minutes?

Councilmember Yukimura: It depends on his answers. Keith, I guess, or Lyle, this centralized facility including the bus. The Transportation Agency and the Police need priority service because you cannot stop the bus service or the police service. Have you studied other areas to make sure that this is a workable model?

Mr. Tabata: Study? I need to understand the question more. Right now, the County provides services at one (1) location that is significantly undersized.

Councilmember Yukimura: I understand that.

Mr. Tabata: What we want to do is move to a larger facility and at the same time, centralize all of the maintenance activities so that we can take advantage of cost savings of synergizing manpower, the amount of lubricants, tires, and parts that we have to order from one location.

Councilmember Yukimura: I understand that, and I think it is basically a good idea. You do not service the Transportation Agency. They are separately maintained right now.

Mr. Tabata: Right.

Councilmember Yukimura: I do not know, I am asking whether other jurisdictions where they have a rapidly growing transportation service have found it whether it is City & County or elsewhere, to put it all together or allow the Transportation Agency to be a separate facility because if the busses stop, people cannot go to work. There is a real...

Mr. Tabata: I think your point is well-taken; however, critical mass is the key for our County and we cannot keep raising taxes as I keep getting told and raising services costs. This is an effort by the Administration to try and centralize and look at a means to control costs or lower costs.

Councilmember Yukimura: I understand.

Ms. Nakamura: Can I add to that?

Councilmember Yukimura: I understand the intent and I am just asking if you have checked to see that there are working models like this because I am concerned about the Transportation Agency not getting the priority it needs to keep their busses running.

Ms. Nakamura: Additional research needs to be done in this area. It will be involving existing staff from various Departments working at a centralized facility. So, how does that work, how does the management piece work, and how does the coordination work. Those are questions that will be done in the planning phase of this project.

Councilmember Yukimura: Okay.

Ms. Nakamura: We are asking for planning permitting design funds. I think that is part of the planning piece.

Councilmember Yukimura: Okay. If you find that does not work, then you will be modifying your proposal?

Ms. Nakamura: That is correct because that would be the upfront funds. We are not asking for construction. We are doing the upfront feasibility sort of piece.

Councilmember Yukimura: Right. Okay. Thank you very much.

Council Chair Rapozo: Any other questions for Centralized Auto Maintenance Facility? If not, Kaua'i Fire Department Helicopter Hangar.

Councilmember Hooser: Can we take a break now? That is what you were suggesting earlier, right? No. Councilmember Yukimura was allowed to finish her train of thought, and we could break now if that is what the members...

Council Chair Rapozo: Okay.

Councilmember Hooser: Okay. I mean, that was my understanding. I apologize if I was misinformed.

Council Chair Rapozo: Whatever. It is up to you folks. I think we should.

Councilmember Hooser: Okay. Let us do it.

Council Chair Rapozo: Councilmember Kagawa.

Councilmember Kagawa: What is the direction that we want to tell the Administration? Come back after public hearing?

Council Chair Rapozo: No. I think I only saw four (4) hands. How many of you are going to testify on the...raise your hands up so I can see. How many have signed up? I am thinking three (3), six (6), nine (9), twelve (12), fifteen (15). Yes.

Councilmember Kagawa: Times that by six (6).

Council Chair Rapozo: Come back after lunch. We will break at the end of the public testimony for lunch, and be back at 1:30 p.m. for public hearing, which I do not anticipate going long. So, I would say be back at 1:30 p.m. Thank you. Let us call C 2015-280.

Ms. Fountain-Tanigawa: Chair, this is on page 3.

There being no objections, C 2015-280 was taken out of order.

C 2015-280 Communication (10/26/2015) from Councilmember Hooser, transmitting for Council consideration, a proposed draft Bill to amend Chapter 5A, Article 9 of the Kaua'i County Code 1987, as amended, by adding a new Section 5A-9.3, to implement a Homestead Tax Cap for owner-occupied properties that receive a homeowner exemption and for long term affordable rental properties: Councilmember Kagawa moved to receive C 2015-280 for the record, seconded by Councilmember Hooser.

Council Chair Rapozo: Thank you.

There being no objections, the rules were suspended to take public testimony.

Ms. Fountain-Tanigawa: We have two (2) registered speakers. The first speaker is Steve Lindsey, followed by Glenn Mickens.

Council Chair Rapozo: Thank you. Mr. Lindsey, if you could come up, state your name for our captioner, and proceed. You have three (3) minutes, sir. The light will be green. When it turns to yellow or orange, you have thirty (30) seconds. If you want to continue, you can have a second three (3) minutes after everyone has spoken.

STEVE LINDSEY: For the record, my name is Steve Lindsey. I am here in support of Councilmember Hooser's suggested bill. I have spent quite a bit of time with Walter Lewis, and both of us have come to the conclusion that we are in a downward spiral and there is nothing that we can do about it. He laughs. He is ninety-six (96) years old and he says, "There is no answer" because you folks need more money. The obvious place is to get it from the property holders like myself. I live in Hanalei. After the last round of discussions in here, four (4) houses immediately went up for sale. My neighbors of over twenty (20) years now, Eddie Bender and others, now have their houses on the market. Of course they are asking phenomenal prices. Since I am one of the original people there, I was the second or third house in Hanalei years ago. I chose it because no one really wanted to live in

Hanalei. That was the wet side. The lots remained for sale for years and years and now of course, everybody wants to be there. I am seventy (70) years old. I was a busboy at Princeville Hotel for seventeen (17) years. I have no way of coming up with additional money for property taxes. So now people like Eddie Hira, he is asking for four million dollars (\$4,000,000) for his house. None of them have sold and maybe they are asking exorbitant prices. But a person like myself, if I sold, I would get an exemption for me and my wife, I pay my capital gains on the difference, I have to pay closing costs, and now I have this little pot of money. Well, I do not want to go to Las Vegas or Oregon or somewhere else to live. My next choice is well, maybe, I can afford a house somewhere on the island. The person that owns that house, he is in the same boat I am because he has a limited amount of resources. So, he is asking an exorbitant price for his house, which I buy, and then he looks down island or somewhere else on this island and you get this rolling thunder of people that are forced to moved that have lived here for years. Everyone in this room kind of falls into the same category. My mother-in-law lives at the Regency at Puakea. She is ninety-eight (98) years old.

Council Chair Rapozo: Okay, Mr. Lindsey. I am going to have to stop you. You can come back after everyone has spoken.

Mr. Lindsey: Okay.

Council Chair Rapozo: Thank you. Next speaker.

Ms. Fountain-Tanigawa: The next speaker is Glenn Mickens, followed by Felecia Cowden.

Mr. Mickens: For the record, Glenn Mickens. Thank you, Mel. Thank you, BC.

Council Chair Rapozo: Reset his time.

Mr. Mickens: Okay. I compliment and completely support Councilmember Hooser's bill, Bill No. 2606, to "implement a Homestead Tax Cap for owner-occupied properties that receive a homeowner exemption and for long term affordable rental properties." For me, the cap should not have been removed in 2013 because of so-called "inequities." My wife and I bought our home twenty-six (26) years ago in the Wailua Homesteads. In all fairness, I believe my tax base should have been set at the time of purchase and like California's Proposition 13, sharp annual increases in assessed value were avoided. If another person or family buys their home on my same street today, I see no reason that it is inequitable for their taxes to be based on the current market value and that sets their tax base. If I or anyone else wants to buy a home and live in it for the rest of their lives, they should not be taxed out of that home. They do not care if their property and home are worth many times more than what they paid for it since they just want to live there. With the shortage of rentals on Kaua'i, I would definitely support the same cap for long term affordable rentals as Councilmember Hooser has widely proposed. Thank you.

Council Chair Rapozo: Than you. Next speaker.

Ms. Fountain-Tanigawa: The next speaker is Felicia Cowden.

FELICIA COWDEN: Felicia Cowden for the record. I support this measure also. I think a tax cap is really critical for keeping people in homes. It is a complex challenge I understand and really, we need to look at all of our tax base holistically at another time. I want to emphasize the part about the long term

affordable rentals. My understanding is that it is currently tied to the Housing and Urban Development (HUD) median income. It seems like we need to unhinge it to that because we have the example this year of where HUD dropped, so then it caused people with rental homes to have to drop their price. It was sort of an odd-ball situation. The fact that people are making less money should not be hurting people as at the same time these houses are going up. We want the affordable rentals to stay that way. What I had hoped would make into this at some level is when people open a spare room to a friend or a family member long term because right now, people lose their tax status if they bring somebody else into the house. Sometimes people's kids grow up and there is room. To me, it seems like a priority is being able to place people in housing. It needs to not in any way, extend to something like homestays. But we need to make sure that we are able to keep people in homes. So, at a simple level. I support the effort to do that. Thank you.

Council Chair Rapozo: Thank you. Next speaker.

Ms. Fountain-Tanigawa: No further registered speakers.

Council Chair Rapozo: Anyone else wishing to testify for the first time? Mr. Bernabe.

Mr. Bernabe: Matt Bernabe for the record. I also am a homeowner and support this. I recently watched mine. It was actually deferred because I go through the mortgage when I pay my tax. So, there was a little delay before I noticed it, where everybody else was talking about it, then I felt it. I also think "long term" is the key word because I have no intent on moving. It is one of those things that if I decide to sell, then that year, maybe I should pay whatever the inflated rate may be. At a certain level too, some of these properties are so top of the line extravagant that some of those people might try to come in. I think there should be a luxury clause that if you built your house up to ten million dollars (\$10,000,000), you should not get a cap at x amount of dollars. There is a fine line here, right? Some are going to make out if they (inaudible), and they truly will be living in their homes, of course. I am just saying that is the thing.

The rental thing about that too, I will say I own my home and I have friends that do not. I sit in their garages and we have a beer or two (2) or we are down at the motorcycle track, and I hear the "I did not realize how hard it is on this island." They are deathly afraid of ruining whatever they with their landlord because of the fear of not finding one is real. The previous speaker talks about, if you get taxes because you open up your room or something if you have room, maybe there should be more dialogue on how we can facilitate some of these houseless, I will not say "homeless," but some of these houseless people because I know some people that are literally houseless because they literally cannot find the house. They work and everything. We talk about it here all the time. Shower at aunty's, shower at friends, go work, they have money, they have nice cars, and they have places to sleep, but their kids are sleeping somewhere else. I see that my own self. That is why I am using my humble voice in this discussion because this is something serious. I applaud that it is even on the agenda. Thank you.

Council Chair Rapozo: Anybody else wants to speak?

Ms. Parker: Alice Parker for the record. I live at Sun Village and I had a friend who had a homeowner's exemption taxes, he was renting an apartment next to me, and rented it out. The reason why he rented it at

reasonable rates was because of the lower tax that way. So, it does help to have more affordable rentals if you lower the taxes on that. Thank you. We need housing.

Council Chair Rapozo: Thank you. Anyone else wishing to speak for the first time? Second time? Mr. Lindsey.

Mr. Lindsey: Steve Lindsey for the record. I want to acknowledge though, the other part of this Bill, which is to base it on the increase of cost. I am not suggesting that we can lock in at two percent (2%) or a particular number, but in my discussions with Walter, he felt that – and I am not speaking for Walter. This is hearsay as far as that goes. He acknowledges the County's need for increased revenue. The obvious place to get it is here. It seems like some melding of the Consumer Price Index (CPI) makes sense so both sides are not hurt too badly and the County is still able to get some additional funds. Thank you.

Council Chair Rapozo: Thank you very much. Anyone else wishing to speak for the second time?

There being no further testimony the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Councilmember Hooser, did you want to have a few comments before we...

Councilmember Hooser: We are going to speak on the Bill later?

Council Chair Rapozo: Yes.

Councilmember Hooser: I think I will hold my comments.

Council Chair Rapozo: Okay.

Councilmember Hooser: And just thank the folks for showing up to testify.

Council Chair Rapozo: Okay.

Councilmember Kagawa: Actually, I want to allow everybody to testify on the Barking Dog Bill.

Council Chair Rapozo: Yes.

Councilmember Kagawa: But I wanted to kind of just clarify a little bit since the public is here and the public is watching while the speakers are here. Just to go back and clarify a little bit of what happened. First, I think Councilmember Hooser, not to speak for him, is using the CPI based on what we had used before when we had the other cap. I think the Director of Finance recommended that as being an efficient way of the Tax Department determining what the cap is going to be. So, they suggested the CPI. Going back to where the problems kind of started, is when we removed – we are in discussion, right?

Council Chair Rapozo: Yes.

Councilmember Kagawa: When we removed the cap in 2014 and the previous Council removed it by a 5:2 vote, what we did was we at the recommendation

again of the Administration, we switched to the ad valorem method and they said it would reset, it would make property taxes fairer. What the Council did in October of 2014 is we responded to a lot of complaints from the public and our residents that their taxes had just skyrocketed. What this Council did in October of 2014 is replace a two hundred fifty dollars (\$250) limit on how much your tax bill could increase. If you had a home exemption, homestead, or you qualified for the affordable long term rental and you got the exemption, your tax bill would not have exceeded two hundred fifty dollars (\$250) over the previous year. Now in 2015, that exemption disappeared. What I would say now is that for those that got this year's tax bill, that is where we see the large increase because in 2014, we took care of the large increases by capping it as I go back. I do not know if that helps to clarify on what happened. I appreciate this cap now, but I think more importantly, it just reassures the need that as we continue to put Band-Aids on the ad valorem system, what we need to do is look at a total tax reform. Many suggestions have come from the public regarding going back to following the State of California, using cost as some kind of basis, and not letting the market just drive the cost out of reach. One could say even though the person has a two million dollars (\$2,900,000) property, should he be paying that much more in taxes? Is he using that much more of the County services just because his property value is higher? But he was affected by sales in his area. It is a tough issue, but I think we need that overall tax reform. This is going to temporarily be in place while we work on total tax reform. Thank you, Chair.

Council Chair Rapozo: Thank you. I figured that would generate a response. Councilmember Hooser.

Councilmember Hooser: Since we are talking about it, I would like to take. I would like to reiterate what Councilmember Kagawa said, basically, that we do need, in my opinion, comprehensive tax reform and the big picture looking at the whole system. In my opinion, we have far too many Band-Aids over the whole thing. My experience with this type of reform is that it takes a long time to do. It might take a year or more once you get the committee going and once you start doing the research, and then once the report is done, it may or may not get implemented. That is what has happened in the past. There have been studies and the Council, on its wisdom or lack thereof, did not implement them. This is meant to say, "Okay, basically I will acknowledge the need for that, but we need to do something now to protect homeowners," and then if we do this reform, that is fine. We can change it later. But at least now, there will be some protection and some might say it is too little too late, but I think it is a good reset especially going into a period right now with the property values, in my opinion, going up already. For people that live in their home and people that forego higher rents in order to accommodate affordable rentals, I think we should protect those people. I look forward to the discussions as we go down. Thank you.

Council Chair Rapozo: Thank you. Any other discussion?
Councilmember Yukimura.

Councilmember Yukimura: Yes. I would like to know from those who are really being burdened by real property taxes, the specifics of your situation, and why the programs that are in existence are not working for you. That would be very helpful information. I also would like to know the fiscal impacts of this proposal, and I presume we will be making that query to the Department of Finance, so that we understand this. Everywhere we look, even this morning, we have been discussing the needs of this community whether it is addressing homelessness, park management and development, cultural preservation, roads, traffic, or bus expansion. During the budget hearing there was a request for solar water heating

and photovoltaic (PV). We have so many needs for this community. We just need to be sure we can address them because if we do not make sure we have a balanced budget, we are going to be causing a lot of service lapses and problems into the future. Already, the owner-occupants have the lowest taxes of all of the categories of property and it is the other categories; commercial, business, industrial, and agricultural, that are covering for the difference. I think we need to make sure our property taxes are not causing people to lose their homes or to move or to have that kind of problem. But we also need to be sure that those who are paying, can pay for the actual value of a contribution to our community to operate. If you divide up our total cost of services among the properties, it come to far more than what most of us are paying. So, who carries that coverage is a question. Matthew's suggestion about "well, if I am going to sell, then maybe that is the time I should pay," it may be there where we need to capture the payments that should have come.

We need to explore, I think, all of these different ways. Plus, I have not seen any beginning to do the reform. As you may know, I think a lot of the reform has been done, but this bill could just...I do not know. It is being couched as an interim measure. It could stay forever and I know that the divergence between the new homeowners and the old homeowners keeps growing and it gets harder and harder to remove caps. Plus, the young people coming in are the ones that are paying the higher price if they are the new property owners. So, it is a very complex ball of wax. We have to know all of these different parts and pieces in order to find a really well-balanced property tax system for us.

Council Chair Rapozo:

Thank you. Councilmember Kagawa.

Councilmember Kagawa: A short response to that, it is very complicated. But I think the key is how do we control the assessed values from the craziness in market and speculation? If we can determine a fair way of determining your assessed value by using costs or some other similar method, then if we find that whatever revenue those assessed values produce is not adequate to run the County, then you play with the tax rates. In my personal view, you do not let what has been happening to our assessed valued for longtime residents like Andrew, just skyrocket because of sales in the area. Because the assessed values have gone out of control, that is why we have all of these problems with long-term residents and their taxes. I think we need to address it. It is complex, but we certainly cannot just keep doing Band-Aids. It is not fixing the problem. That is my take on this issue. Yes, it is complex, but somehow we need to hurry up. Thank you. Thank you, Chair.

Council Chair Rapozo: Anyone else? We are done with the public testimony. I apologize. We are in deliberation now, so the public testimony is over. I am sorry. Any other discussion? Go ahead.

Councilmember Yukimura: In response to Council Vice Chair Kagawa, how do we address the ever-growing assessments? I mean, we have the...I do not even know what we call it. But for people in really high priced areas like Hanalei, if their income is less than one hundred thousand dollars (\$100,000), I think there is a program where they pay no more than three percent (3%) of their income or some percentage. That is a way to address it. I could not ask Mr. Lindsey a question. So, I could not ask him if he knew of the program or how that program worked for him. He can tell me after the meeting, but the rest of the public will not know his answer.

Councilmember Hooser:

It is my second turn.

Council Chair Rapozo: Yes. I am not questioning the second time. I just get frustrated sometimes. Go ahead.

Councilmember Hooser: Just to wrap this up from my perspective. After introducing it, I had lots of calls and E-mails from people asking me about the long term affordable benefit. I am surprised of the large number of people that do not know about it. I would explain it to them. They would say, "Oh, I did not know. How do I get in this?" They have to wait until next year to apply. What I have seen here is again, Band-Aids. I hate to use the word actually, but that is what it is. It seems like individual people will come up and say, "Okay, I have this individual problem," and then we will either create a Band-Aid or point then to a Band-Aid. But the vast majority of the people are just paying the price. It is in their mortgage. They miss the deadline. The mortgage all of sudden it shows and they do not know about all of these programs. We end up fixing or trying to fix individual situations, and I think that is a problem too. When individuals come here and say, "I have a problem." I know we do it, but overall, it is not the right way to approach it, I think. I think the Department of Finance people will say that we are in this situation to a large extent because the Transient Accommodations Tax (TAT) was removed from us by the State. That is the hotel tax. Here we are passing on that cost to homeowners instead of passing it on to the hotels, which are the visitors who should be paying that price. Hotels, commercial, and businesses have the ability to pass it on. If we raise their taxes, they can raise the price of a cup of coffee, a hotel room, or something to pass it on. Homeowners cannot pass it on. I have asked the Department of Finance for physical implications, so we will be getting that information later.

I want to speak for the people that own expensive homes. They may have bought that home twenty (20) years ago, their income has not changed, the value of that home has gone up, and we should not tax them out of it just because they happen to live in Hanalei or happen to live in Kōloa or wherever is nice. They may have been there for a long time and they deserve to stay in that house. This is not an end-all, but this proposal is a way to put that on hold if the will of the body is to do a comprehensive long term, then let us do it. Thank you. Thank you, Chair, and thank you all.

Council Chair Rapozo: Thank you. Anyone else? Let me just say that Mr. Lindsey, Ken Shimonishi, our Director of Finance is in the room. Feel free to call them. We are legislators. We are not the administrators of the program. So for the general public, if you have a question regarding the taxes, contact the Tax Department to know your options. I do not think we do a good enough job in the County to educate all of the homeowners of what is available in a manner that they understand. I receive those notices. Even the trash can notice was difficult to understand rather than just make it plain for normal people like myself to understand.

The issue, assessments are going up. In fact, I had a discussion with one of our appraisers on the island a couple weeks ago, and he said that it is not uncommon now for homes to be selling below the County assessed value, which never used to be the case. Before, the County assessed value was always lower. You would get your house appraised and it was much higher, and one would argue that the County was leaving money on the table because they were not paying taxes on the proper assessed value or proper market value of the house. Now, it is the opposite. We are taking more money than we should because the properties are actually worth less in the market than what the assessments are being shown. Now as Councilmember Hooser says on many occasions, he is exactly right. When we raise no tax rates, but the assessments continue to rise, we in essence, have raised the property taxes. I think

that has to be looked at as well. There has to be a balance of the tax rate versus the market values. The cap in itself, it is not temporary. Right now, it is necessary. We have people getting hurt because of the property taxes going up and up and up. You talk about disparate treatment, it is. Some people are paying way more than others because someone in the neighborhood sold a property.

Councilmember Kaneshiro and I went on a site visit over the weekend to some properties in Hanalei and the houses just sold for forty-four million dollars (\$44,000,000). Four (4) house, forty-four million dollars (\$44,000,000). One (1) person bought it. What does that do to the neighbors if you were following the tax system we have? The County is like, yes, jackpot because now everybody's assessment goes up. Is that fair? Absolutely not. If you have been following this, and I know my colleagues all have herd this over and over because we have all been calling for it, is this tax reform. We have been asking the Administration to do a comprehensive tax reform which takes everything into account, not just Homestead, not just long-term rentals, but all of it. As Councilmember Hooser and many of us talk about the Resort. Are they paying their fair share? What should be the breakdown percentage wise? Which class of property should be paying what percentage to the necessary operation of this County? That has to be identified. Once you establish what the percentage should be, then the rest is just math. You take the total amount it cost to run this County, you take the percentage that you determined that class of property owner should pay, and you get the rate. There is no politics. That is what our Charter and our Code tells us that we should be doing, but we have not. We are just trying to justify the amount of the budget, and that is not how we are supposed to do it. Then, as Councilmember Kagawa said earlier, the Council messes with the tax rate for that category to meet the need of the County's budget. That is how it is supposed to be done, but it is not done that way. It is, we want to spend all of this money, we want to do all of these things for Kaua'i, and then let us figure out how are going to pay it by setting the tax rates or raising assessments to accomplish that goal. No. It should be the opposite way. What should a Homestead person pay? That class, should it be eighteen percent (18%) of the total budget? Should it be twelve percent (12%)? Should Resort be paying thirty-eight percent (38%) or forty-two percent (42%) of the total budget? Should Industrial or Commercial be paying thirty-eight percent (38%)? Then it is just math. I have been asking for that for almost ten (10) years now, maybe even longer.

We had this discussion a few months ago when the Tax Director was here, Steve Hunt was here, the Director of Finance I should say. What I heard him say was he would have some kind of proposal for tax reform or process by September. It is November. I have been thinking about this and I know some members have been saying, "What are we going to do?" This is what we are going to do. We are going to set up a sub-committee like we did with the County Manager system because I am not going to wait. If the Administration like dilly-dally, they can dilly-dally. We cannot wait because time is money for a lot of people. A lot of people are selling their homes because they have to. We will set up a three (3) member committee just like we did with the County Manager system to study this, and we will take it from there so we can explore all of the options available because we cannot wait any more. If the Administration wants to participate, they can. If not, they do not have to. But hopefully, we can come up with some kind of alternatives and options for the Administration to look at because I think it is a priority and we keep talking about this every time. The Band-Aid solution is not the best thing, but it is the only thing right now. I would be more than happy to support this. I thank Councilmember Hooser for submitting this Bill. With that, roll call. Oh, I am sorry. Voice vote.

The motion to receive C 2015-280 for the record, was then put, and unanimously carried.

(Councilmember Kagawa was noted as not present.)

Council Chair Rapozo: Motion carried. Can we take the Barking Dog Bill now, please?

Ms. Fountain-Tanigawa: Chair, this would be on page 6.
There being no objections, Proposed Draft Bill (No. 2604) was taken out of order.

BILLS FOR FIRST READING:

Proposed Draft Bill (No. 2604) – A BILL FOR AN ORDINANCE TO ESTABLISH A NEW ARTICLE IN THE KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO BARKING DOG NUISANCE: Councilmember Kualii moved for passage of Proposed Draft Bill (No. 2604) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for December 2, 2015, and referred to the Committee of the Whole, seconded by Councilmember Hooser.

Council Chair Rapozo: Thank you.

There being no objections, the rules were suspended to take public testimony.

Council Chair Rapozo: First speaker, please.

Ms. Fountain-Tanigawa: The first speaker is Lisa Kerman.

Council Chair Rapozo: Thank you for your patience. Just state your name for the captioner.

LISA KERMAN: Yes. Lisa Kerman for the record. I am here in support of a bill that will address the barking dogs on the island.

(Councilmember Kagawa was noted as present.)

Ms. Kerman: I have been dealing with barking dogs for over a year now in my neighborhood. I have gotten in touch with the owners and given them many suggestions. I mean, I spent the entire summer. The nights that they would bark, I would have all of my windows and all of my doors closed, and you know how hot it was this year. It was just so excessive. The dogs would start barking and some nights it would go for five (5) hours. I would call and nobody would answer, and I would call on the hour until 12:15 a.m. some nights. Basically, I was given the runaround. I mean, "Oh, yes we will deal with it." I had many good options that I gave them. In the end, they basically said, "You know what, it is your problem." I really think we need recourse. When that bill got dropped, we have no recourse now. None. As long as there is no recourse that the public can take, people like my neighbors will continue to bring more dogs. They have more dogs. They have more people living illegally on the land. My only recourse at this point is to turn them in for the illegal actions. I would rather not do that. I would rather have a bill that address the issue. We need a way to have recourse. It should not be my problem. I lay awake at night some nights on fire this summer because I had every window and every door closed because of the noise level. Now, during the day when this goes on, I cannot be on my porch. They are a distance away. They are down valley. I am up

valley. All that noise carries right into my house. I heard the hearing that took place last time. I was not there. I heard it and I know there were only two (2) Councilmembers that voted to retain a bill. I am here to beg you to implement some bill so we have recourse. It should not be our problem, the non-dog owners. I mean, I take care of a dog when my friend leaves town. That dog does not bark. That dog has been trained really well. I feel like we, the people that are being affected by these barking dogs, have no recourse right now. I am asking you to pass a bill that would give us, the people that are being offended by this excessive barking, to have some kind of recourse. Right now, we do not. The only thing I can do is turn them in for other illegal actions. I do not really want to do that. I want to address the problem on hand. The problem is barking dogs. Someone said, "Just go shoot the dogs." I do not want to shoot the dogs. That is not their problem.

Council Chair Rapozo: I am sorry, I have to stop you. Your first three (3) minutes are up.

Ms. Kerman: Thank you for listening. I appreciate it.

Council Chair Rapozo: Thank you very much. Next speaker.

Ms. Fountain-Tanigawa: We do not have any other registered speakers.

Council Chair Rapozo: Okay. Anybody want to testify for the first time?

BRUCE HART: First, I would like to thank...

Council Chair Rapozo: If you could just state your name for our captioner please.

Mr. Hart: Bruce Hart for the record. I would like to say that I am happy that the last time I was up here and spoke about this I asked that something be introduced in a timely manner, and it has today. I would like to thank those that are responsible for that. I still feel the same way that I have since this issue began. We need some sort of ordinance to address the problem. Often time people have said when they get up here that this just seems to keep going on and on. It does because the problem is not going away. I can remember over twenty (20) years ago my sister having this problem while she was pregnant, with barking dogs next door. I would also like to thank Councilmember Yukimura for having originally introduced a bill, which did get passed. It is my understanding that this bill that is being introduced today addressed the problems that the Council found with the original Barking Dog Ordinance. I hope that this will be a bill that passes and addresses the issue. Thank you very much.

Council Chair Rapozo: Thank you. Anyone else? Ms. Parker.

Ms. Parker: Alice Parker for the record. Yes, I am so glad there is barking dog ordinance being proposed. I think the idea of having more than one (1) person complain is excellent because there can be vendettas especially if you have an annoying dog barking. I know after this sunset, I guess, there was a dog probably about a block away that barked for an hour and a half one night. The thing is I think it was a new dog to the neighborhood. I did not recognize the bark. It must have been a new dog. It really needs to be addressed. I have a friend who was complaining. He got a new Cocker Spaniel and he had one already, but the new one was barking all the time. I suggested water. Oh, I could not do that. I am thinking

the neighbors probably wish he would. Anyhow, yes, please. This look like a good bill. Thank you. Humans first. I love dogs, but humans first. Thank you.

Council Chair Rapozo:

Thank you. Mr. Bernabe.

Mr. Bernabe: Matt Bernabe for the record. I would like to commend Councilmember Kuali'i on attempting to appease some of the constituents. However, the one flawed thing about the previous dog law is when it gets to court, it is virtually impossible to prove the dog was not provoked. I am absolutely against wasting any more time on this dog ordinance. Instead, let us do what the Chair has recommended and get a comprehensive noise ordinance passed. That would be better taxpayer money spent. I will tell you why. The sister talking about the 2:00 a.m. from the valley, all she had to do was reword how she talks to the police and say, "I hear a lot of noise coming from my neighbor's house. There seems to be no activity." The blue lights show up. I bet you in twenty (20) minutes, those dogs will be quiet. Word your statement better and the cops will come. I promise you. You do not tell them it is dogs because they are going to tell you, "We do not do that."

Secondly, anything that has to do with the *wahine* from the Kaua'i Humane Society is absolutely taboo for this community. She has tarnished her reputation as far as I am concerned. She should not be part of the process whatsoever. She is not credible, in my eyes, and I am a very good dog person. Trust me. I want to also mention on thing. (*Cow noises*) That is a cow in heat breeding and I hear that every night. Are we going to start tackling cows? How about the wild chickens? Are we going to force the County to kill these wild chickens? What is the story? You folks live on Kaua'i. When I moved to the city, I do not pass a ban on highway noise. I am just saying make the noise ordinance because do you know what? Unless you have a person going with the decibel, you will never get that proven. Even the way you folks are writing it, how can you prove the dog was not provoked? It is impossible. You filming them is provoking the dog. By the way, I want to end with this, I train my dogs. I am one of the best trainers. Trust me. I am very good. I have been converting pit bull since I was eight (8) years old since I caught my first on in the cane field, an abused dog that did not want to hunt a hunter's dog because they were fighting other dogs, and I converted him. Do you know what? I train my dogs to bark at everything that looks at my garage.

Council Chair Rapozo:
not, I call the meeting back to order...

Thank you. Anyone else wishing to testify? If

Mr. Bernabe:

We only get one (1) time?

Council Chair Rapozo:

No. You can come back.

Mr. Bernabe:

I was not done.

Council Chair Rapozo:

Okay.

Mr. Bernabe:

Unless somebody else wants to go.

Council Chair Rapozo:
with this."

I thought I heard you say, "and let me end

Mr. Bernabe:
is going to rebuttal that.

I seen the light and I just assumed somebody

Council Chair Rapozo:
for the first time?

Okay. Is there anyone else wishing to testify

Ms. Parker:
promise.

I just want to do a second time real fast. I

Council Chair Rapozo:

Okay.

Mr. Bernabe:

In three (3) minutes.

Ms. Parker: No, less. Alice Parker for the record. Matt has a good point, a noise ordinance, because I hear these cars with the extra "booms" right next to me. I am on the bus and the driver cannot hear the transmission from route control because of these loud cars. Yes, a barking and comprehensive noise ordinance. Poor cow. Thank you.

Council Chair Rapozo: Lisa. I am trying to remember the order you folks came up. I know you were first.

Ms. Kerman: Thank you. Lisa Kerman for the record again. One of the points I did not make earlier was that the three (3) or four (4) dogs down valley from me, when they get going, they not only bark themselves, they get the entire area of dogs barking. So, it is not just a primary problem. It becomes a secondary problem. We go from three (3) or four (4) dogs barking to an entire neighborhood or dogs barking. It can be in the day and it can be anytime at night. So, it is an issue. It is a real problem. Thank you.

Council Chair Rapozo:

Thank you.

Mr. Hart: Again for the record, Bruce Hart. I get a smile on my face. Matt supporting the comprehensive noise ordinance. I would remind everybody that I first introduced that back when Jay Furfaro was Chair, when the original barking dog ordinance came up before this Council. Yes, the comprehensive noise ordinance. I spent months on that. In fact, ever since the original barking dog ordinance. I did a lot of work, I put it together, and presented it to one (1) Councilmember. A comprehensive noise ordinance would address all forms of noise. I believe it is possible and I wrote it down. It is in writing, to construct the law that the noise would not have to be named beyond nuisance noise. Every type of noise that became a nuisance noise would be addressed by this law. If that gets passed, hallelujah. I think that we are talking about a barking dog ordinance today because members of the Council promised that this issue, this specific issue, would be addressed within a timely manner. The comprehensive noise ordinance could take longer to work out, but I am for it. I am also for addressing those people like the woman who got up and testified and all of the others, addressing the issue of barking dogs as soon as we can. If it is included in the comprehensive noise ordinance, that is great. Okay. Thank you.

Council Chair Rapozo:

Thank you, Bruce. Mr. Mickens.

Mr. Mickens: For the record, Glenn Mickens. The one huge caveat here whether it is a dog or noise ordinance, you brought it up, Mel. Enforcement. Who is out there to do the enforcement of this? Is it going to be the Police Department? Is it going to be the Kaua'i Humane Society? Who? I mean, any law you put on the books is still going to have to have enforcement. If you drive the Kapa'a corridor by the Wailua Golf Course, people do not drive forty miles per

hour (40 MPH). You drive 40 MPH there, you are going to get run over. There is not enough cops to be able to enforce these things. I think with this, no matter whether it is a noise ordinance or the barking dog law, I think it is going to be the same. I do compliment you, Councilmember Kuali'i, for introducing this thing to try and get something on the books because we all appreciate it. I do not have a problem in my neighborhood with barking dogs. There is one (1) dog if he is provoked or you walked by the street and he is taught to bark at anything going by there. For two (2) minutes, he does not bother me. For the people that cannot sleep at night, some dog just barks on and on like Matt said, without being provoked or anything. That has to be addressed. Thank you, Mel.

Council Chair Rapozo:
Mr. Lindsey.

Thank you. Anyone else wishing to speak?

Mr. Lindsey: For the record, I apologize for even speaking about this and taking your time. My neighbor goes to bed at 7:30 p.m., my daughter was home from college and they were playing an acoustic guitar and singing at my house. He calls the police. Anything that bothers his sleep, he calls the police. "They are making noise." That seems to be one ridiculous end of it. I have all the sympathy in the world for you, but I think that you are opening a can of worms here.

Council Chair Rapozo:

Thank you. Mr. Bernabe.

Mr. Bernabe: Matt Bernabe for the record. I want to reiterate that successfully proving the dog was not provoked has not been demonstrated. That is like keep trying to put a square peg in a circle hole. Just because you want that square peg in the hole, it is not going to. The gentleman before me brings up a really good point, and that is, even though I am for a comprehensive noise ordinance, I want it to be realistic, which leads me to even the people that have come up to me since the last testimony on this issue and you folks overturned the existing ordinance. People who have horrible dog stories, they themselves have told me, "Oh, a dog played me," still did not support the rule for several reasons. One of them was you cannot prove what I just said a minute ago, that the dog was not provoked. The other one was the imbalance of having – and I have not looked at Councilmember Kuali'i's one, is the County going to pick up the court bill for the people complaining or do they have to pick up their court bill? That is a question. I do not know. If they have to pay for their own court bill, I might be a little bit more inclined to say "yes" because that is a neutralizer of false accusations right there. Like I said, where does this stop? Are we going after the cows because in Wailua House lots I can hear the rodeo from the bypass at midnight? I have to be honest, I like it. When the dogs start howling in my neighborhood, I like that too. I have to be honest. My mechanic lives in Līhu'e, they do not have any dogs, and they are all getting ripped off. I hate to say it, they have the surveillance cameras from the people living over here in your front yard. I actually said, "Do you want a dog?" They actually told me, "I think I need to get a dog." Unless you folks are willing to come and give me security like you folks are giving the people in Moloa'a with their fence, come get some security for my motor bikes, then maybe I will get rid of my dogs. I have to be honest, I do train my dogs to bark, not excessively. I agree that there are bad owners out there, but do not punish the rest of us and the dogs themselves for a few bad apples.

Council Chair Rapozo:

Thank you. Anyone else wishing to testify?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo:

Councilmember Kagawa.

Councilmember Kagawa: I am just going to be really quick because we have a lunch break. I had the opportunity just last week to talk to the Maui Prosecutor, John Kim. The first time around, we supposedly followed Maui County and their successful barking dog ordinance. When he explained this process, the first two (2) years, they were pretty successful. They probably had about seventy-five percent (75%) or eighty percent (80%) success rate in the first two (2) years. He said, "Well, how is your success?" I said, "Well, we are 0:3." One they accepted because it was a twenty-five dollars (\$25) fine and whatever. But the three (3) that did go to court all loss. When I explained to him that the Kaua'i Humane Society does not even once go out inspect and verify if the claim is legitimate, he laughed. He said in Maui, when they were successful, the Dog Control Officer...they deputize him and everything in Maui. They go out there, they verify that it is legitimate, and they warn the owner, "If I come back next time you are going to get a final citation." He said that is how they had their success. They had a third person representing a law enforcement officer go out there. If you listen to Penny and her statements in the paper and here, she the person authorized by Kaua'i County. We are authorizing the Kaua'i Human Society to be the Dog Enforcement Officer. She said, "We do not have time to go out there. We work from 8:00 a.m. to 4:30 p.m." When do you think most of the problems are occurring? Late at night. If she has no interest whatsoever in going out there and enforcing it, then maybe we need to police officer to be the one to go out there and verify. I know it may be kind of low priority, but at least we may get some success because just using logs from complainants, it is not working in court. We have a Judge sitting there. It is he said she said. We live in the law – you are innocent until proven guilty. You need proof, not a paper saying the dog was barking from whatever time to whatever time. I swear that I am telling the truth. That does not work. You cannot base the case based on what one side of the story says. When you have what Maui had in place, and I do not see that in this current dog barking bill, we are going to have problems in court. I hope that maybe we can put some amendments in there and we can get some commitments from Penny that she will try and make this work, not just issue seventeen (17) citations for nothing. Thank you, Chair.

Council Chair Rapozo: Okay. Any other discussion. If not, thank you very much. I will just say that the comprehensive noise ordinance is being reviewed. Mr. Hart has contributed quite a bit. I just want to acknowledge Mr. Hart for that. For Lisa, I am not sure if you contacted the Kaua'i Humane Society or not for your issue. They should still be sending out the packets. If they have calls, the only thing the repeal of the ordinance did was remove the authorization to issue citations. But the other components should still be in place, the educational component, the contact, the logs, and all of that. I am not sure if that is even being done right now. With that, there is a motion to approve and set the public hearing. Roll call.

The motion for passage of Proposed Draft Bill (No. 2604) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for December 2, 2015, and referred to the Committee of the Whole was then put, and carried by the following vote:

FOR PASSAGE:	Chock, Hooser, Kagawa, Kaneshiro,	
	Kuali'i, Yukimura, Rapozo	TOTAL – 7,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Seven (7) ayes.

Council Chair Rapozo: With that, let us take a break for lunch. Be back at, let us say 1:35 p.m. for public hearing.

There being no objections, the meeting recessed at 12:32 p.m.

The meeting reconvened at 1:47 p.m., and proceeded as follows:

Council Chair Rapozo: Let us try to catch up with that we missed. Let us go with item C 2015-279. Let us clear up all of these item.

Ms. Fountain-Tanigawa: Sure.

C 2015-279 Communication (10/23/2015) from the Director of Finance, requesting Council approval, to accept and expend appropriations provided to the County of Kaua'i in the General Appropriations Act of 2015 – Act 83, SLH 2015 in the amount of \$50,000 (General Funds – Appropriation Warrant No. 60) from the State of Hawai'i for the Office of the Prosecuting Attorney Career Criminal Prosecution Unit & Victim Witness Assistance Program: Councilmember Kagawa moved to approve C 2015-279, seconded by Councilmember Kualii.

Council Chair Rapozo: Thank you. Any discussion?

Councilmember Kaneshiro: Council Chair, I was just going to mention that I do not think we finished the HSAC package. When the Administration was here we were going through the HSAC package.

Council Chair Rapozo: Yes. We still have to get to that. Some of these items are ministerial and if we can clear it up so we do not have to come back.

Councilmember Kaneshiro: Okay.

Council Chair Rapozo: If any other these items are going to incur some discussion, then we will move it. Any discussion or public testimony? This is administration, technical.

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

The motion to approve C 2015-279 was then put, and unanimously carried.

Council Chair Rapozo: Motion carried. Next item.

(Councilmember Yukimura was noted as recused.)

LEGAL DOCUMENT:

C 2015-266 Communication (10/01/2015) from the Director of Parks & Recreation, recommending Council approval of a License Agreement with Boys & Girls Club of Hawai'i, a non-profit Hawai'i corporation, for three (3) portables and a portion of the grounds immediately surrounding the portables located at the Kaua'i War Memorial Convention Hall in Lihue, Kaua'i, Hawai'i, being a portion of Royal

Patent 4480, Land Commission Award 7713, Apana, Part I to V. Kamāmalu, to be used for youth-related activities in the Lihu'e area.

- License Agreement

Ms. Fountain-Tanigawa: Chair, we had a deferral request pending receipt of a revised document.

Council Chair Rapozo: Before we get to the motion to defer, is there anyone in the audience wishing to testify?

There being no objections, the rules were suspended to take public testimony.

Council Chair Rapozo: There is a typographical error on the license agreement so they are asking for a deferral to fix it.

Mr. Bernabe: That is all this is about, is just asking to fix it?

Council Chair Rapozo: The request to defer is because of a typographical error that was found.

Mr. Bernabe: Oh, I understand.

Council Chair Rapozo: When we have it on the floor, we want to make sure the document is accurate.

Mr. Bernabe: Perfect. I support the deferral to be accurate and I also support giving the license. I support the Boys & Girls Club one hundred percent (100%). That is all I was going to say.

Council Chair Rapozo: Thank you very much. Any other public testimony?

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Is there any discussion? If not, I will entertain a motion to defer.

Councilmember Kualii moved to defer C 2015-266, seconded by Councilmember Kaneshiro, and was carried by a vote of 6:0:0:1 (*Councilmember Yukimura as recused*).

Council Chair Rapozo: Motion carried. You can call Councilmember Yukimura back.

(*Councilmember Yukimura was noted as present.*)

Council Chair Rapozo: Let us do the Claims.

Ms. Fountain-Tanigawa: On page 4, Chair, these are claims.

CLAIMS:

C 2015-281 Communication (10/14/2015) from the County Clerk, transmitting a claim filed against the County of Kaua'i by Sherri Yasutake, for damage to her property, pursuant to Section 23.06, Charter of the County of Kaua'i.

C 2015-282 Communication (10/23/2015) from the County Clerk, transmitting a claim filed against the County of Kaua'i by GEICO Insurance as subrogee for Jarod Powell, for damages to his vehicle, pursuant to Section 23.06, Charter of the County of Kaua'i.

Councilmember Kualii moved to refer C 2015-281 and C 2015-282 to the County Attorney's Office for disposition and/or report back to the Council, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Any discussion? Public testimony?

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

The motion to refer C 2015-281 and C 2015-282 to the County Attorney's Office for disposition and/or report back to the Council was then put, and unanimously carried.

Council Chair Rapozo: Motion carried. Clerk, if we could go back to C 2015-278.

Ms. Fountain-Tanigawa: On page 3, this is C 2015-278. Communication from the Mayor, transmitting for Council consideration for inclusion in the 2016 County of Kaua'i Legislative Package, A Bill for An Act authorizing the issuance of General Obligation Bonds and making an appropriation, in the amount of \$7,150,000.

Council Chair Rapozo: Administration, if you could come up.

There being no objections, the rules were suspended.

Council Chair Rapozo: We are not discussing the Centralized Auto Maintenance Facility. Councilmember Yukimura had some questions. Oh, helicopter. Okay.

Ms. Nakamura: Nadine Nakamura, Managing Director.

Council Chair Rapozo: Okay.

Mr. Suga: Keith Suga, County CIP Manager.

Council Chair Rapozo: Councilmember Yukimura, any questions?
Chief, you have an overview?

ROBERT F. WESTERMAN, Fire Chief: Robert Westerman, Fire Chief. Yes, what we are doing, as you saw from the slides earlier. A good bit of the work that we do with the helicopter is on State lands. So, we are asking them for

their *kōkua* to help build a hardened facility for our helicopter so when it is not in flight, it is well protected from the environment. We are asking for a hardened facility so as hurricanes come and go, as this year we had I think twelve (12), well maybe ten (10) credible threats. We actually had discussion on were we going to fly the helicopter off island to make sure that we were safe when coming it because the temporary facility that we are in, thanks to the State, is kind of old. It actually went through Hurricane 'Iniki and it is falling around our ears. So, we are asking the State for their *kōkua*.

Council Chair Rapozo: Thank you. Any questions? Councilmember Yukimura.

Councilmember Yukimura: Chief, the total cost is seven hundred fifty thousand dollars (\$750,000)?

Mr. Westerman: Yes.

Councilmember Yukimura: And we have already appropriated two hundred fifty thousand dollars (\$250,000) for planning and design? So, we are asking the State Legislature for five hundred thousand dollars (\$500,000) to have it constructed?

Mr. Westerman: Yes, that is correct.

Councilmember Yukimura: With that, we will have all we need to protect the helicopter from the elements?

Mr. Westerman: Yes.

Councilmember Yukimura: Where is that to be located? Sorry. You have it here. Līhu'e Airport.

Mr. Westerman: It would be on the airport, yes.

Councilmember Yukimura: The space has been approved by the airport administration?

Mr. Westerman: We currently have a space with them, but they did ask us a month ago to move it to the lot next door. So, we responded to them that yes, we can do that.

Councilmember Yukimura: Okay. Thank you.

Council Chair Rapozo: Any other questions? Councilmember Kuali'i.

Councilmember Kuali'i: I just had a quick question because of a comment I heard earlier today. Chief, as far as responding to calls on State property, and I know you are talking about asking the State. So, we are not demanding or requiring because we are doing their job. I mean, you do believe the County takes responsibility, that it is our job to respond to all emergencies anywhere on our island, correct?

Mr. Westerman: Yes, correct.

Councilmember Kuali'i: Thank you so much.

Council Chair Rapozo: Any other questions? If not, thank you Chief. We will move back to the Salt Pond Master Plan, if there are any additional questions. I had a couple of questions. I apologize when you did your presentation. So if you have covered it, the new do not have to go over it again. I will get it from the minutes. The strengths, weaknesses, opportunities, and threat (SWOT) analysis of the project site, did you discuss that in your slide presentation?

Ms. Nakamura: We did not go into the details.

Council Chair Rapozo: Okay. What is that and what is the Administration's plan for the proposed use of this area?

Ms. Nakamura: Okay, that we did go into.

Council Chair Rapozo: Okay.

Ms. Nakamura: That would be part of the whole planning process, is working with the community groups and the stakeholders from the different uses in that area to identify what is working, what is not working, and what are some opportunities that we might want to take advantage of in the planning process. As we do the plan, what are some of the threats to this area, identifying as Councilmember Kual'i'i noted, the concerns of the usage on the beaches, the vehicles on the sand, and the impacts to the salt beds. It is really the process to identify just based on the stakeholders, what is happening in this area that the plan need to take into account.

Council Chair Rapozo: Okay. The SWOT analysis is inclusive of the community?

Ms. Nakamura: That will be part of that plan.

Council Chair Rapozo: Part of the...

Ms. Nakamura: The planning process is to work with the community group to identify.

Council Chair Rapozo: Okay. I was just making sure because the last bullet point was "multiple community meetings to receive input." But that input will be obtained at the beginning of the process?

Ms. Nakamura: Yes.

Council Chair Rapozo: So we are not surprising the public with something that the County wants. Okay. That is pretty much all I had. Councilmember Kagawa.

Councilmember Kagawa: Yes. I think maybe we need Lenny on this one. This is a question that has baffled me since I was very young because I grew up in Hanapēpē Heights. Salt Pond was highly used. There are two (2) kiddie ponds and the sand by the kiddie ponds is maybe an inch deep, and then you hit clay and mud. I am wondering, have we thought of bringing in sand into those kiddie pond areas and then while we are planning to do that, also, on the front of some of those kiddie ponds there are some big sharp rocks. Have we ever thought about taking out the rocks, especially the big ones so that people to not trip or cut their feet on it, and then replenish it so at least we have a layer of maybe about two (2) or three (3) inches,

and who knows what Mother Nature is going to do to take that away. I have often wondered if we have thought of trying to replenish that kiddie pond area and seeing how that would work out.

Mr. Rapozo: For the record, Director of Parks & Recreation, Lenny Rapozo. Councilmember Kagawa, no we have not. I am really sure if we are able to remove things off of the beach. But what you just described is a small beach nourishment project, something similar that we did in Po'ipū. We could possibly look into that if that is something you and I should talk about in the upcoming budget.

Councilmember Kagawa: Thank you. I am not talking about taking out boulders or what have you. I do not know if you folks take your kids there or asked some of the people that use it regularly, but here and there fronting the kiddie ponds, there are rocks protruding, just small ones. I think I could probably take it out with a shovel. Maybe we can get our work crews to do it, but we probably need permission of some sort.

Mr. Rapozo: Yes, there is a permitting process that we would have to do like what we did done at Po'ipū Beach Park.

Councilmember Kagawa: Yes. I would like to explore it if we could look at how much it is or even if it is a possibility to get the permits and what have you to try and replenish it because it is very weird. It is like clay. I do not know. Thank you. Thank you, Chair.

Council Chair Rapozo: Any other questions? Let us move on to the Veterans Cemetery Facility Construction & Improvements, seven hundred thousand dollars (\$700,000). I think that is pretty much self-explanatory. That building does deserve to be restored and we are just asking for the State to help out. Any questions on any specifics? If not, thank you. Any registered speakers for this?

Ms. Fountain-Tanigawa: Chair, I have one (1) registered speaker. This would be Ken Taylor. Mr. Taylor.

KEN TAYLOR: Chair and members of the Council, Ken Taylor. This is really disturbing to have spent all this time on talking about something that has already been sent to the State. That would not happen under a management style of government. As I said before, efficiency, accountability, transparency, and continuity is important. We do not have it. We never will have it under this form of government. As far as the Adolescent Treatment and Healing Center, when the feasibility study was done, it identified the facility on this island there was three (3) to five (5) people year that could qualify to be in this facility. Three (3) to five (5) people. We are talking about building a facility for five million dollars (\$5,000,000), a one million dollars (\$1,000,000) operating cost for three (3) to five (5) people a year. There is something terribly wrong with that situation. We have to do better. I went to a lot of the neighborhood meetings on this issue because I have a strong interest in this kind of a situation. My son went through one of them and he benefited tremendously. So, I would never deny somebody for this. But this kind of money for three (3) to five (5) people a year, there is something wrong with that. There must be a different way, a better way, to approach it.

Centralized Auto Maintenance Facility. I question how much it would cost to build after we permit and design, where would it be, and what would be the physical benefits and financial benefits of having a centralized facility.

Fire Department Helicopter Hangar. Those numbers seem extremely out of order. There are people that build these kinds of facilities out there, prefabrication units. I think there is even a number of them sitting down there on the airport now. I cannot believe that two hundred fifty thousand dollars (\$250,000) is needed for planning for a five hundred thousand dollars (\$500,000) structure. There is something really out of line there.

Salt Pond Master Plan. One should include the removal of that road that was put through the middle of the pond some years ago. There has also been a lot of talk about expanding the Salt Pond Beach Park, and I think in doing a master plan for that area out there, we should include the whole area...

Ms. Fountain-Tanigawa: Three (3) minutes.

Mr. Taylor: ...not just the salt ponds.

Council Chair Rapozo: Ken.

Mr. Taylor: The salt ponds are important.

Council Chair Rapozo: That is your first three (3) minutes.

Mr. Taylor: I will be back.

Council Chair Rapozo: Mr. Mickens.

Mr. Mickens: For the record, Glenn Mickens. Thank you, Mel. If I heard Councilmember Hooser's question correctly and Nadine's answer, the Council was not involved in this request for seven million one hundred thousand dollars (\$7,100,000) until today, well after the fact. For me, this is very wrong as the right hand should always know what the left hand is doing especially since this body appropriates the funding. Since all moneys come from taxpayers' pockets, they should definitely have been involved in this issue and we were not. Also, with no communication from the Administration to the Council and public, there may be a lot of other projects that are higher priority than some that are on this list and should have been included. I think somebody mentioned that on this. I do not know how they picked this list, how they prioritized it, or anything, but it is there. Again, with a County Manager style of government, the Mayor sitting as a member of the Council, this type of wrongdoing would never happen. There is no pointing back and forth. He would be here and he would vote with you folks. Thank you.

JOHN PATTERSON: Aloha. I am John Patterson for the record, from Wailua. Thanks a lot. It seems like there is a bit of acting before the details are known in this particular bill. For example, I am hearing that there are plans to expand Salt Pond, on the other hand, I think expand the salt ponds would be the worst thing for the salt farmers that you could possibly do. Unless those people would express their own desires for a cultural center...I guess my point is they should be at the table first because ultimately, they are the shepherds of that cultural space and rather than have the State or us come in with money like look, we got you some money, we should ask them what money they need and what they would do with the money. Then, if there is this conflicting idea to expand the park into some kind of west side Lydgate, that directly conflicts with the goals of making it a sacred cultural space. Both of these things are being talked about at the same time and it does not make sense to me.

The same thing goes with this treatment center. It does not seem to be enough demand for it. It is a lion's share of this seven million dollars (\$7,000,000) and there needs to be a little walking before you run. There could be smaller projects. There could be other things that do not required five million dollars (\$5,000,000). It is very strange. It seems very strange if the earlier feasibility study showed that it is not a good idea to just do more feasibility studies. There is now nine hundred thousand dollars (\$900,000) in this particular bill that is probably maybe eight hundred dollars (\$800) per taxpaying household to just study building an auto center and building a salt pond. That is a lot of money from my pocket just to study these things when I think that the planning for an auto center has been done by thousands of different municipalities around the Country. Any one of those plans could be used without spending five hundred thousand dollars (\$500,000). Likewise, ask the people who make the salt what they want before we come at them with four hundred thousand ollas (\$400,000). Maybe this is one of these games where you just ask for money and hope you get something, but the priorities do not seem quite straight. Thank you very much.

Council Chair Rapozo:

Thank you. Mr. Bernabe.

Mr. Bernabe: How is it everybody? Matt Bernabe. I am going to start from the bottom of this list. I agree with Councilmember Kagawa that even though traditionally the State and County has picked up these bills, we can still ask the federal government to offset some of the costs. They should be asking the federal government for money. They are veterans.

Salt Pond. I understood everything that was said. I think the family *hui* need to buck up and start selling some of their product and come up with a financial plan to help sustain their own section of it as well. Other than that, I do not have anything negative to say at this point.

The helicopter. In this case, we should be asking the State for about seven hundred fifty thousand dollars (\$750,000) as far as my tab goes. I think the State should buck up five hundred thousand dollars (\$500,000) for this hangar, and maybe even a new helicopter and we will call it even for forty (40) years or something. I am just saying. Creative thinking here.

The one I really have a problem with, and I think this will make a lot of sense, is this Adolescent Treatment and Healing Center. For five million dollars (\$5,000,000), let me say one thing before I go into the bad side of this. If we were to take five million dollars (\$5,000,000), and I believe this is the one in the back of Kalepa. Is that where it is, the ten (10) bed one? I said it then, I will say it again; let us make a working youth farm program that can sustain itself and generation after generation the same skills and whatnot. If we are going to invest five million dollars (\$5,000,000), let us do it right. Right? It could supply its own funding for those beds, not to mention maybe create a workforce for some of these farms that need workforce instead of bringing in woofers. Here is the reality. Where is the bids for the construction of this facility? There is no bidding process leading into this money. I thought we were supposed to...I wrote it down earlier. How can you request money if the construction bids have not even been submitted? How do you even know? Who gets the contracts and how do they know our State Representatives like Ron Kouchi? That is the real question here. Is the rest of these four (4) items just a guise to get this five million dollars (\$5,000,000) through to the contractor who is going to get the job for this facility? I think we need to look into it. Do you know what this is called? After the fact information. You folks are getting the hand me downs after the deal is done. You folks should be more made than me. I am a little upset right

now. I am not going to lie. I am looking at every one of you folks in the eye. What is up with this story? For one, who is getting the contract to build this? Where has the due process been for contract bids to lower this cost. I have my light. I will come back. I do not need to come back. I am done. I will end it on that.

Council Chair Rapozo:

Thank you. Anyone else?

Ms. Parker: Alice Parker for the record. On this list on this bill, I think Adolescent Treatment and Healing Center, it would be good if we could have one, but it looks like it is prohibitively expensive to be on this island unless they find a more financially reasonable situation.

The Centralized Auto Maintenance Facility. I do not understand why that cannot be combined with the bus and transportation system and we could have a huge one-stop vehicle maintenance facility.

Kaua'i Fire Department helicopter Hangar. Yes, it needs to be protected.

Salt Pond Master Plan. I do not see expanding it down at the ocean. There is not enough space and we have to protect those salt ponds for the indigenous folks who have them and then Native Hawaiians. I can see expanding the park up hillside way. That would be terrific although you have a gorgeous park out there in Waimea. That hillside to me, looks kind of wasted and I think it would be a great addition to the park, but not down near the water.

The Veterans Cemetery Facility Construction & Improvements. Matt had a good idea. Get some funding from the Federal government because they are Federal veterans as well as being Kaua'i veterans, and they need every bit of respect and honor that we can give them. Thank you.

Council Chair Rapozo:

Thank you. Anyone else wishing to testify?

Mr. Taylor: Chair and members of the Council, my name is Ken Taylor. Again, I oppose this document. You should write a letter to the State, to the list of people that are on that PowerPoint presentation and say, "No, do not go for this." As far as the list of issues here, the Veterans Cemetery Facility Construction & Improvements, my question here I show much of this is due to a lack of a maintenance program over the years. We have seen over and over again, the inadequate maintenance proposals or activities. Here, we have another situation where we are talking about spending seven hundred thousand dollars (\$700,000) that may not have been needed if there had been a good maintenance program in place. All over the world there are buildings that have been around for hundreds of years and there is no reason...I mean, just because you say, "Well, this building was built in 1950 and updated in the 1990s." Now we are going to spend seven hundred thousand dollar (\$700,000). You could almost build that building for that price. I just have trouble understanding why in fifteen (15) or twenty (20) years we have now incurred the potential of seven hundred thousand dollars (\$700,000) repair work on this building. Again, it just does not make any sense, but it all boils back down to the lack of having adequate maintenance schedules and activities to take care of the built environment and we keep adding more and more. We cannot take care of what we have and it goes back to well, no problem. You just tax the people more. The straw that broke the camel's back is coming or has been here, and will continue to be if this is the way the government continues to operate. I would highly recommend that you send a letter to the list of people that received this document and say, "No thank you this time. We want to reevaluate." Thank you.

Council Chair Rapozo: Thank you. Anyone else? Anyone else from the public wants to testify? This is it. We are going to call back Nadine as a resource person and then we are going to end public testimony? Anyone else? If not, Nadine.

Ms. Nakamura: Thank you. Nadine Nakamura, Managing Director. I just wanted to clarify a comment that I made earlier that may have spurred some additional discussion. In June of this year, we did receive a memorandum from the Council that laid out the deadlines for the Kaua'i County and Hawai'i State Association of Counties Legislative packages. So, there is a pretty clear schedule here beginning in August when any Councilmember or the Administration could have submitted proposals to the various committees, the Economic Development & Intergovernmental Relations Committee and so forth. I know you have gone through your own internal process, but that would have also been the opportunity for any Councilmember to submit a bill that you wanted to propose, anything relating to projects or infrastructure or changes to laws. The schedule was laid out by the Council. So, that would have been another way to give us your input.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: Yes. Thank you for that input. Based on the public testimony we just heard, I have a couple more questions if I may, about the project. Now that it has been said, the two hundred fifty thousand dollars (\$250,000) for design of the hangar given, a five hundred thousand dollars (\$500,000) construction cost does seem high. That is fifty percent (50%) of the construction cost. That is not usually what planning and design costs.

Mr. Suga: Keith Suga, County CIP Manager. I do not know if the Council remembers, I believe two (2) or three (3) years ago in the CIP Budget, the initial appropriation was for three hundred eighty thousand dollar (\$380,000). Back then...

Councilmember Yukimura: Was what? I am sorry.

Mr. Suga: It was for three hundred eighty thousand dollars (\$380,000). I think back then, the intent of the structure was going to be like a temporary structure kind of like what the helicopter is currently utilizing. As Chief Westerman had mentioned, the airports now require more of a permanent structure. So, that kind of changed the mindset of Department of Public Works assisting the Fire Department in this project.

Councilmember Yukimura: Okay.

Mr. Suga: The initial solicitation for consultant services went out for the two hundred fifty thousand dollar (\$250,000) amount. The actual contract has not been executed yet because Chief is still working on that plot of land that he said the airport requested to get relocated. Once that is secure, the Department of Public Works can continue to finalize the actual scope for the consultant work. So, it certainly could be substantially less than the initial two hundred fifty thousand dollars (\$250,000) that was allocated.

Ms. Nakamura: That is what is in the CIP Budget currently.

Mr. Suga: Yes, that is correct.

Councilmember Yukimura: Yes, I know. But if some of it can be used for construction, then we would not ask for as much as five hundred thousand dollars (\$500,000) if the five hundred thousand dollars (\$500,000) will cover construction. If it is not two hundred fifty thousand dollars (\$250,000) and if it is fifty thousand dollars (\$50,000) or even one hundred thousand dollars (\$100,000), we can think of a lot of different ways for using the one hundred thousand dollars (\$100,000).

Mr. Suga: I think that is a fair statement. Currently based on the initial estimate that the consultant provided, again without the actual plot solidified yet, the thought is any potential surplus from that two hundred fifty thousand dollars (\$250,000) certainly can be used towards the actual construction as well in case of contingency.

Councilmember Yukimura: Better yet, it can be shaken loose for other County projects.

Mr. Suga: It potentially could.

Councilmember Yukimura: Okay. When will you get us a more specific figure for planning and design?

Mr. Suga: I can work with the Doug Haigh at Buildings Division. He is working with the consultant.

Councilmember Yukimura: Okay. Also for the Centralized Auto Maintenance Facility, what is the projected total cost? Five hundred fifty thousand dollars (\$550,000) again, it does seem high for planning, permitting, and design. It kinds of depends on the ultimate vision of the facility.

Ms. Nakamura: I do not have the exact estimates in front of us, but I think it was in the ballpark of seventeen million dollars (\$17,000,000).

Councilmember Yukimura: Seventeen million dollars (\$17,000,000) for the total cost including planning and everything from beginning to end?

Ms. Nakamura: That would be the construction.

Councilmember Yukimura: Seventeen million dollars (\$17,000,000) for construction. Okay. Then five hundred thousand dollars (\$500,000) might be appropriate. Okay. Like we have said earlier, we really want to find out what the best practice is for such facilities and for maintenance of vehicles running the gamut in other Counties of our size. I hope we will be getting that information as well. Thank you.

Council Chair Rapozo: Councilmember Hooser.

Councilmember Hooser: Thank you for your patience today too. I appreciate the Managing Director's comments about the Council had it opportunity or has an opportunity also and that we laid out the schedule. I think that is a fair point to clarify. Thank you. On that note, I said earlier today that there were things that seemed to jump out that we were missing. Housing. The more in think about it, the more I think about traffic, east side traffic particularly. It kinds of begs the question, as I stated it earlier, why there not more housing things in here and why there was not some traffic things put in here. I understand that there are buckets of money for housing projects and highway projects, but I also understand that General

Obligation Bonds can be used for just about any capital improvements so that should not preclude us from asking for those if we choose to do it. My question is, if we wanted to, and I kind of asked this earlier but I want to restate it, amend this to include let us say some east side traffic mitigation measures whether it would be on the State highway or some of those interior roads that impact it. What would be the process? We need the Administration's support to do this because you have the staff that understand the CIP process better than we do, you have the Department of Public Works working on the highways with that. So, I would kind of like to have that conversation about how we would include some of that east side traffic mitigation specifically and/or some housing initiatives. Given the deadline at the State Legislature, I believe, the actual bill submission is not until mid-January or so. Do you have any suggestions on how we might do that because of the Sunshine Law it makes it awkward for us? Maybe if you can address that the highway mitigation particularly. If we wanted to put some money into this request requesting from the State Legislature to fund said improvements.

Council Chair Rapozo: I can answer that just because it has been done. Councilmember Yukimura, I believe, last session introduced several proposed bills to be on the County package which requires the Mayor's approval. That is how it would be done. We would basically submit a proposal over to the Administration and hope we can get their support, then it becomes a part of the County legislative package. The Council can submit our own Council legislative package. The Mayor can submit their own administrative legislative package.

Councilmember Hooser: Right.

Council Chair Rapozo: I kind of agree with you that we should be looking down that road.

Councilmember Hooser: Thank you for that. I understand we could either amend this bill or submit a new one. Taking the traffic for example, there are probably five (5) different traffic mitigation potential projects on the east side if you talk about the widening in front of Coco Palms, if you talk about (Inaudible) Street, or you talk about Kawaihau Road. There at least four (4) or five (5). In terms of which one to pick, what status they are in, I guess we have to consult with our Department of Public Works and Highways Division.

Ms. Nakamura: I can clarify a little bit here. Most of the highway related projects are State projects and the project in front of Coco Palms, the widening of that road, is funded. So, construction will be taking place with that project. The widening of the Kapa'a bypass road north of the roundabout, funding was put in. I think twenty-three million dollars (\$23,000,000) was included in last year's legislative budget. So, that funding to add an additional south bound lane is in that budget. That project will be moving forward on planning and design. There are certain State projects that Ray McCormick at the time had already programmed. If they are not fully funded, then he is trying to get the design funds to put into their process. Up until this point, the County has not really looked at new roads, and this is island wide. I think the last road that was built by the County, a new road, was in Po'ipū, the bypass road. Every year all we really set aside is the one million two hundred thousand dollars (\$1,200,000). That is just to maintain existing roads. There really has not been a lot of good thinking about which roads, and we will be getting more into this in a future discussion. I just wanted to let you know that it is an important discussion to have with the State, and maybe we need to figure out what is the best forum for the Council to be briefed on that.

Councilmember Hooser: Okay.

Ms. Nakamura: On those projects because they will have a huge impact.

Councilmember Hooser: Right. The core question as to if we want to add items, I think we understand that, and remind ourselves that it is first reading. So, there may be an opportunity in the future even with this bill to either submit a new bill or amend this if there was a project that was a priority of the Council's or a Councilmember wanted to propose. Thank you.

Council Chair Rapozo: This is not a first reading. We get one (1) shot.

Councilmember Hooser: Okay.

Council Chair Rapozo: There is an opportunity to amend. Again, like I said, the deadline that we put out was November 27th. We basically have another Committee Meeting and one (1) more Council Meeting to approve the legislative package.

Councilmember Hooser: Thank you.

Council Chair Rapozo: The CIP legislative package. Councilmember Yukimura.

Councilmember Yukimura: I appreciate Councilmember Hooser's questions about traffic. It was one of the things we discussed in our joint Mayor-Council goal setting process, and it was one of the secondary goals. The question for all of this is what is going to solve the traffic congestion on the east side? In order to address that, you need a plan. In order to know what projects we want to put on from the Council side, we need to have a plan. I am aware the County Administration has been working with the State DOT on a plan for the east side traffic, and that is completed. That was just announced. I saw it for the Wailua/Kapa'a citizens group. What is the plan and what are the pieces of the plan that need to be funded in order to solve the east side traffic?

Council Chair Rapozo: Before we go into the plan, this is going to be referred to the Committee. If you folks have any amendments or if you want to add projects, I would suggest you get something and meet with the Administration. I mean, it is going to require their approval for it to be on the County plan. This is not our Council plan. This is for the County plan. If the Administration does not support it, it is not going to go on the plan. If you have proposals that you want to add to this plan, I suggest before...when do we post? Thursday? Tomorrow. Get with the Administration and find out what you want added on. Councilmember Hooser.

Councilmember Hooser: Just a quick follow-up. I appreciate that. Assuming there is an east side traffic plan, if the Administration could get that to us with a list of what is not funded. You mentioned a few things were already funded. If I knew what part of that plan was unfunded and in the order of priority I am assuming the plan would have, then it would be helpful. If we could get that. Is that possible?

Ms. Nakamura: We want to double check to make sure that plan is finalized. I have seen a draft version of the plan, but is a State document.

Councilmember Hooser: Okay.

Ms. Nakamura: I will need to follow-up, but we can share the draft with you.

Councilmember Hooser: Okay, that would be good. If there was one, two, three, four, five priorities and these were funded and these were not then that would be helpful to know in the context of what we are looking at today. Thank you.

Council Chair Rapozo: I hear something. Do you folks hear that, like somebody snoring? What is it? Okay. Sorry. Anyone else? Jade has corrected. Next week's meeting is on Thursday. So the posting will be on Friday. We have until Friday. Any more questions for the Administration? I do have one (1) question and it is relating to the Centralized Auto Maintenance Facility. You said that the anticipated cost is seventeen million dollars (\$17,000,000)?

Ms. Nakamura: I think that is a rough estimate.

Council Chair Rapozo: Where would that come from?

Ms. Nakamura: That would come if we are either floating a bond or if approve General Excise Tax (GET).

Council Chair Rapozo: So we do not have the money?

Ms. Nakamura: It would be a future bond issuance.

Council Chair Rapozo: Okay. I think that is important as well because again, sometimes some would argue that is putting the cart before the horse. I am glad that question was asked because I did not envision it being seventeen million dollars (\$17,000,000). We grumble about five million dollars (\$5,000,000) for a Adolescent Treatment & Healing Center and seventeen million dollars (\$17,000,000) for an auto maintenance facility, I do not know. To me, I think it is kind of bazar. Anyway, thank you for that. Any more questions?

There being no objections, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Councilmember Kagawa.

Councilmember Kagawa: Thank you, Chair. I think again, I would like to go back in history. Four (4) years ago the Transient Accommodations Tax (TAT) has been capped. So, we have been losing out about twelve million dollars (\$12,000,000) to thirteen million dollars (\$13,000,000) a year. If you multiply that by four (4), that is about fifty-two million dollars (\$52,000,000) that have been basically taken away from the Counties. In return, in the past two (2) years or even three (3) years, instead of the State giving us what we want, the thirteen million dollars (\$13,000,000), they have been giving us more as far as CIP projects. If you do the math, last year if we had six million dollars (\$6,000,000), we are still losing out seven million dollars (\$7,000,000). But we cannot expect something if they cap the TAT again. We probably expect something. Now, I can see that some Councilmembers wanting to add to this list, but I think realistically, we are probably going to get somewhere close to what we had last year unless the State receives a large sum of money somewhere that is unexpected. I am okay with adding to the wish list. Of course it is nice.

As far as the Adolescent Treatment & Healing Center, there is a big need. I think we all forget sometimes that when we had those brave ladies that came in and testified and told us how the treatment had helped their lives. It really humbled us, that they chose to come and shared their stories. For our children on Kaua'i right now, there are several options, but they are on O'ahu. We even used to send some of the Big Island. But some of the popular ones are Bobbie Benson Center and Hawai'i Youth Challenge Academy. Hawai'i Youth Challenge Academy is a military type, which gets them their General Educational Development (GED). I have seen some of the kids that have gone through those programs. It is just amazing how it turned some of their lives around. I mean, you are talking about some of the kids that if they did not have those programs, would have been habitual criminals out there doing millions of dollars of damage as far as police and everything if you add it up.

Once, Mel and I talked this guy that has a jewelry business here and he talked about how terrible the court system was. The same kid robbed him three (3) times. I know the kid. That child has a good heart, but it was just the substance abuse. It is sad. The parents are good parents, but sometimes, we need that outside source. What do we do? Do we just say okay, it is a State job? There are programs on O'ahu and on the neighbor islands, let us scrap it. It is not worth our risk. It is not worth our time to try and see if we can do it, I think do it efficiently here at that site. I do not know the answer, but what I can say is that many out there in the public look upon us here because the State, the Federal government, and what have you have not done enough to take care of our Kaua'i substance abuse users that can be helped by this youth treatment program. I think it should stay on the list. If the State funds it and if we determine at the time we have to start spending moneys that we are not ready, it cannot work, then I would say let us not do it. Wow, we should have used the five million dollars (\$5,000,000) somewhere else. I do not know timing wise if we have that time right not. What I do know is that I would rather have the State pay for the five million dollars (\$5,000,000) than the County because it is their function anyway. It is the State's job to take care of this type of education, drug treatment, and things. They do it in the schools, but what about the worse offenders? The State is going to just keep sending them Honolulu? These are our youth with families here. They would be better served here on the same island as where they live. We take care of our own problems. That is what I said the last time, instead of passing it to Hilo or passing it to Honolulu if we can. I think it is still up in the air, but I am hopeful. I am hopeful that we can take care of our own problems. We should not look upon Honolulu and Big Island to take care of ours. We take care of our own. I think we can do it. We have to get good leadership though in that program.

I know Council Chair's good friend and my good friend, Reno, did a great job with Hale 'Opio Kaua'i, Inc. He used to live with the kids, do a lot of cultural type things, and make them work. They used to earn their privileges to go watch movies and things. He was very strict with them. It can work. You need good leadership, you need good workers, and of course you need cooperation from the State, medical industry, and what have you to help pay for the cost so we do not pay for everything. Like I said, the savings that are going to be made by helping our youth from straying off and going in the wrong direction is worth the investment. It is investing in our kids rather than just ignoring the problem. That is my solution. Thank you, Chair.

Council Chair Rapozo:

Councilmember Hooser.

Councilmember Hooser: Yes. Interesting discussion. I think at first glance you look at the list and you think oh, it is all worthwhile projects. The more you talk and the more you look at the list, for me anyway, that I see where is housing, where is traffic, where is roadway improvements and you start looking at what is

lacking. The way it works in terms of how projects are funded at the Legislature is like most places, it is all about priorities. It was asked about the chances of getting funding, something like the Veterans Cemetery. If it is supported by representatives from the west side and by the State Senator from Kaua'i, then it is going to get funded. If it is their top priority, it is going to get funded. There is no question about that. That is another thing I look here when I look at district funding. I see there seems to be some gaps in terms of east and north shore. If you are looking at likelihoods of getting funding, you want to have something that Representative Kawakami said he wants to do something. If it has a State nexus like Councilmember Kaneshiro was saying, it is better. At the end of the day, that is the way it works. If everybody is funding lines up, everybody gets asked, "What is your priority?" If it the Representative's priority or the Senator's priority and the Department of Transportation's priority, it is going to get money.

(Councilmember Kagawa was noted as excused.)

Councilmember Hooser: With regards to the specific Adolescent Treatment & Healing Center program proposal, it is hard not to want to support that because it is such a tragic issue in our community. We know each of us have been touched by the issue with friends and family. In my mind, I would want to have a provider in writing saying, "We will provide this service at this price given this facility." That is better than a plan. We have commitments for it. To spend five million dollars (\$5,000,000) without some commitment is a challenge. I think frankly, we do not have to worry about that because the Legislature is not going to give the County five million dollars (\$5,000,000) unless they know it is going to be spent and spent well. Even if our legislative delegation was able to get it in the budget, it is not going to be release period. The Legislature does not like to fund things when the money is not going to be spent. Personally, I do not think the likelihood of getting that funding through is high. I am actually drawn to the potential one million dollars (\$1,000,000) a year cost to the County. I cannot help from thinking well, what would one million dollars (\$1,000,000) a year spent on youth programs be. Youth sports, youth education, after school programs, or computers. There are lots of youth programs that could use grants of five thousand dollars (\$5,000) or ten thousand dollars (\$10,000). What would that do to impact the drug use in our community? In my mind, that would have far greater impacts impacting thousand so of young people and possibly changing their lives and keeping them off of drugs if we had world-class type of youth programs. I am not saying County run youth programs. I am saying youth programs in general that the County would support through grants and other support. Not to say those eight (8) individuals who need that drug treatment facility are not important. But it is just how do we affect the most lives? I am not convinced this is it as we sit here today. I am open to having a continuing conversation and talk about it next week. Thank you.

Council Chair Rapozo:

Thank you. Councilmember Chock.

Councilmember Chock: Thank you, Chair. I am not adverse to anything on the list that has been presented today. However, I am not supportive just on the fact that I think there is more work that needs to be done on some of these items in order for me to feel comfortable about one, to see it move forward. I kind of feel like these are projects, some of them, that have not been able to get off the ground and that is what we are looking at, kind of filling the gap and moving forward. I know some of it is forthcoming and that is helpful. In addition to that, I also feel like I really like the idea of more of a collaborative approach. I think that Council is equally as to blame here in trying to get things forward in a more collaborative format. I think that sends a stronger message of priority and urgency of some things that we

can all agree upon. I am looking forward to actually having a more in-depth discussion on this to see how far we can get with this list. I also feel that we should probably get most of this guidance from the Administration because they are CIP projects. But if it is traffic or if it is the list that we talked about in our priority goal setting meeting, then I think that they are well-worth looking at together if it is that traffic. Housing, I think, has been brought up today. I think that is a huge issue of which should be talked about more in terms of providing infrastructure. I think there is some initiatives that are moving forward to try and support trying to bring more affordable housing to the forefront. If we can leverage that infrastructure, then why would that not be something that we could collectively agree upon? I know we will be hearing more about this so I do have some ideas in talking about it. So, I am looking forward to a discussion. Thank you. We will not be selling salt, *pa'akai*. Sorry.

Council Chair Rapozo:

Anyone else? Councilmember Yukimura.

Councilmember Yukimura: I am assuming we are going to put this matter in Committee next week. I think it is appropriate because we do need a lot more information. I want to say that as I have said before regarding the Adolescent Treatment & Healing Center, I strongly support our youth getting appropriate drug prevention and treatment services. In the continuum of care, the twenty-four/seven (24/7) Adolescent Treatment & Healing Center is the most intense and the most expensive of the continuum of care. It is possible to treat or provide such treatment for kids who need such treatment said to be three (3) to five (5) to eight (8) per year without building that facility. The way to do it is to use the beds in O'ahu at Bobbie Benson Center and to provide plane fare and ground transportation for parents to visit at least once a month. This is already a part of the Department of Health's program and they pay for the plane fare and ground transportation for two (2) family members at least once a month. There is a way to address this problem without spending five million dollars (\$5,000,000) for a building and one million two hundred thousand dollars (\$1,200,000) operating moneys every year. I concur with Councilmember Hooser, that if we could use that one million two hundred thousand dollars (\$1,200,000) for programs that would support the continuum of care leading up to the intense treatment. So, from prevention such as sports, youth programs, after school, preschool, and to Hale 'Opio Kaua'i, Inc. and that type of treatment, we would be able to support so many more young people and prevent many of them from falling off that cliff that requires intense drug treatment, 24/7 care. It would be a much better use of our moneys and it will allow us to take care of those young people who need this intense treatment and who deserve that too.

Council Chair Rapozo: Anyone else? Well, let me just say I agree and I disagree with much of what has been said. It is always an emotional issue for me and I think for most of us here regarding the Adolescent Treatment & Healing Center. If you figure out how many people on the north shore utilized the Fire Department last year and say well, do you know what? Not enough people used the Fire Department or the Police Department for that matter, for the price that we pay so let us not provide it. Let us not build a station out in Hanalei because we do not have the justification or we do not have the need because only a small percentage of people used that service out in Hanalei or Princeville or Hā'ena. It is not really worth the money. That is what we are doing here. I do not know whoever the heck came up with the three (3) to eight (8) or five (5) to eight (8) or whatever that number was. Tell that to a parent who just lost their child to suicide in the last six (6) months because we have had a few. You go tell that to the parent, "Oh, it is just too expensive." The kid does not want to go to Honolulu. That is part of the problem. The kid does not have the assurance that the parents can be with them or their family

can be with them. You go explain that to the parent, that oh sorry, your kid is just not worth enough. It is not about the money. Certain functions of government we have to provide and we have gone without one of these things for way too long. I agree that the feasibility is important, but like Councilmember Hooser said, that State is not going to write the check unless we can prove to them that we are going to use it. I would rather, like Councilmember Kagawa said, I would rather have the State fund that building than the County, the taxpayers.

Mr. Taylor said five million dollars (\$5,000,000) is too much, but yet he said his son benefited tremendously from the program that he went to, the facility that he went to. What if your jurisdiction did not have one? It might be a different outcome. The question is, was whatever they spent on the facility worth it to save that child? Absolutely. I do not know how we even that the money involved in this discussion because I agree that the feasibility is important. Really, if it is going to cost money or if it will not succeed, then I think we have to look for other options. But we do not know that. I think Matt's suggestion about getting them in the farm or getting them in the dirt, to me, that is what we need. That is what we need. We need to get these kids that need the help in a facility that has this connection back to the earth, to the culture, to the cultural practices, and give them some ownership or purpose in life. It is amazing what happens to a child – and I call them “children” because they are but they are young adults, what happens when they can find for themselves that they can actually grow a crop or something or they can actually raise a cow until it can produce milk or beef. That is what I would like to see us do, but that is the Administration's role. They have to go out and seek out the programs, and that is what they have been doing. I guess I get bothered when we start putting a price tag on adolescent treatment because every time something happens whether it is a crime wave or a rash of suicides, all of a sudden it is the drugs. But we do not have enough on Kaua'i to warrant us building a facility. I get bothered by that. Like I said, some things we do, we cannot run like a business. Some things we do is driven by the need of protecting public safety and health, and this is one of them. If you are going to do a cost analysis and sorry, we are going to lose the three (3), four (4), five (5), or six (6) of you that actually need this service. It is just the cost of doing business. I cannot buy that philosophy. I agree there is a lot more work and I am disappointed where we are at in this because we have been working on this for such a long time. We have one (1) feasibility study after another feasibility study. To me, that is just a waste of time when we are dealing with this issue. The eight (8) beds, it is a ninety (90) day program or whatever it is. So, it is not just eight (8) kids or nine (9) kids, these rotate. I can tell you I personally know over eight (8) kids today that could benefit from that. I know a lot more than that.

The other thing the two hundred fifty thousand dollars (\$250,000) for the hangar. Ken, if you know, and you said you know someone who can do it for two hundred fifty thousand dollars (\$250,000), please pass that information on to the Administration because we all want to save money. That is my light. With that, I have a motion to...go ahead.

Councilmember Yukimura: I was not talking about money. I was talking about who can best serve these young people and not building something that is going to fail and then we will not be serving them at all. The best practices, if you ask the experts, is in-home services. I agree that Matt's proposal makes much more sense to have a farm or a working model, but that is not what we are designing or building. We would be wasting a lot of money to build a 24/7 drug treatment center without thinking through everything, which shows the problem. The problem is the Administration has not expertise in how to address this intense adolescent drug treatment need. They will not follow expert advice about not putting both sexes

together and they are just insisting that they should do it, but they have no background about all of the necessities and requirements for addressing this. One needs to remember 24/7, the liability for taking care of young people is so great. We need the very best experts in designing and creating these programs, we do not have it in the County government, and we are not listening to the experts. So, we are set to waste a lot of money and not achieve our purpose which I think we all share, that we want our young people to get the best possible support and guidance in terms of drugs and getting off of drugs.

Council Chair Rapozo: This is what we are going to do. I am going to entertain a motion to refer this to the Committee of the Whole next week or Budget & Finance or whatever. Then if the Council wants to come up with a separate proposal rather than amend this one, we will just create a new one. If you have projects that you want to see on here, inform staff so they can put it together on a package and have the Administration chime in on it on the next meeting, and then we can take it from there. I do not see why we would vote for an item that the Administration is not going to support. You need both sides to agree or it does not get on the County package much like what is on this one here. That is the plan and we can have the in-depth discussion next week at the Committee Meeting. If there are no objections...there was a motion to approve.

Councilmember Yukimura: Yes.

Councilmember Yukimura moved to refer C 2015-278 to the November 12, 2015 Committee of the Whole Meeting.

Councilmember Yukimura: Pardon me. The referral has precedence.

Council Chair Rapozo: The referral trumps it. Is there a second?

Councilmember Kaneshiro seconded the motion to refer C 2015-278 to the November 12, 2015 Committee of the Whole Meeting.

Council Chair Rapozo: Any further discussion?

The motion to refer C 2015-278 to the November 12, 2015 Committee of the Whole Meeting as then put, and carried by a vote of 6:0:1 (*Councilmember Kagawa was excused*).

Council Chair Rapozo: Motion carried. Next item please.

Ms. Fountain-Tanigawa: Next item, Chair, is on page 4.

COMMITTEE REPORTS:

BUDGET & FINANCE COMMITTEE:

A report (No. CR-BF 2015-33) submitted by the Budget & Finance Committee, recommending that the following be Approved on second and final reading:

“Bill No. 2597 – A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. B-2015-796, AS AMENDED, RELATING TO THE OPERATING BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY

REVISING THE AMOUNTS ESTIMATED IN THE HIGHWAY FUND (*Puhi Road 20% County Match (Operating Budget) - \$268,000.00*),”

Councilmember Kualii moved for approval of the report, seconded by Councilmember Hooser.

There being no objections, the rules were suspended to take public testimony.

There being no one present to give testimony, the meeting was called back to order, and proceeded as follows:

The motion for approval of the report was then put, and carried by a vote of 6:0:1 (*Councilmember Kagawa was excused*).

A report (No. CR-BF 2015-34) submitted by the Budget & Finance Committee, recommending that the following be Approved on second and final reading:

“Bill No. 2598 – A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. B-2015-797, AS AMENDED, RELATING TO THE CAPITAL BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE HIGHWAY FUND CIP (*Puhi Road 20% County Match (CIP Budget) - \$268,000.00*),”

Councilmember Kualii moved for approval of the report, seconded by Councilmember Hooser.

There being no objections, the rules were suspended to take public testimony.

There being no one present to give testimony, the meeting was called back to order, and proceeded as follows:

The motion for approval of the report was then put, and carried by a vote of 6:0:1 (*Councilmember Kagawa was excused*).

A report (No. CR-BF 2015-35) submitted by the Budget & Finance Committee, recommending that the following be Approved:

“C 2015-263 Communication (10/02/2015) from the Assistant Chief Procurement Officer/Budget Chief, requesting Council approval to dispose of Procurement Work Folders (RFP (C4056)) and (IFB (#2872 - #2936)); Professional Services Regular (4-PROF-06/07, 1-PROF-07/08 thru 12-PROF-07/08); Professional Services Exempt (X7-PROF-05/06 thru X8-PROF-07/08); Sole Source Procurement documentation (Fiscal Year 2005-2008); Exempt Procurement documentation (Fiscal Year 2004-2008); Emergency Purchase documentation (Fiscal Year 2005-2008); Auction (SA-1-06 thru SA-3-07); and State Price Lists; pursuant to Section 46-43, Hawai'i Revised Statutes and Resolution No. 2008-39 (2008) as amended, which has been kept for over seven (7) years and are no longer of use or value,”

Councilmember Kualii moved for approval of the report, seconded by Councilmember Hooser.

There being no objections, the rules were suspended to take public testimony.

There being no one present to give testimony, the meeting was called back to order, and proceeded as follows:

The motion for approval of the report was then put, and carried by a vote of 6:0:1 (*Councilmember Kagawa was excused*).

A report (No. CR-BF 2015-36) submitted by the Budget & Finance Committee, recommending that the following be Received for the Record:

“BF 2015-06 Communication (10/09/2015) from the Director of Finance, requesting agenda time to discuss the new OPENGOV subscription that allows the County of Kauaʻi to improve on fiscal transparency for the public, for County Departments and its internal users, as well as to promote a better understanding of the County’s overall operations,”

Councilmember Kualii moved for approval of the report, seconded by Councilmember Hooser.

There being no objections, the rules were suspended to take public testimony.

There being no one present to give testimony, the meeting was called back to order, and proceeded as follows:

The motion for approval of the report was then put, and carried by a vote of 6:0:1 (*Councilmember Kagawa was excused*).

Council Chair Rapozo: Motion carried. Next item please.

COMMITTEE OF THE WHOLE:

A report (No. CR-COW 2015-13) submitted by the Committee of the Whole, recommending that the following be Received for the Record:

“C 2015-06 Communication (10/21/2015) from Councilmember Chock, Chair of the County Manager Sub-Committee, requesting agenda time to present a preliminary briefing by the County Manager Sub-Committee,”

Ms. Fountain-Tanigawa: Chair, we do have registered speakers for this item.

Council Chair Rapozo: We need the motion.

Councilmember Kualii moved for approval of the report, seconded by Councilmember Yukimura.

(*Councilmember Hooser was noted as not present.*)

Council Chair Rapozo: Thank you.

There being no objections, the rules were suspended to take public testimony.

Council Chair Rapozo: Can we call the first speaker please?

Ms. Fountain-Tanigawa: The first speaker is Glenn Mickens.

Mr. Mickens: For the record, Glenn Mickens. Thank you, Mel. Thank you, BC. You have a copy of my testimony. Let me read it for the public. With your permission Council Chair, I have testimony from Walter Lewis too. If you let me, I will take three (3) for me and three (3) for him. Is that okay?

Council Chair Rapozo: That is fine.

Mr. Mickens: Thank you. Just a statement repeating what five (5) of the seven (7) testifiers said at last week's Committee Meeting about a County Manager. "We need and want this manager." Think hard about what Larry Arruda and Ken Taylor, who lived under and were involved with a manager type government for many years have said. With a County Manager, there is continuity, accountability, transparency, and efficiency in the system. Obviously under our present style of government these important factors are sorely missing and if we are going to move Kaua'i in a forward direction, we desperately need them. Under Councilmember Chock's committee leadership, we are making a lot of progress on this issue and I warmly applaud him for all he is doing. We, proponents of this issue, are only asking that five (5) members of this Council put it on the coming ballot so that the people have the right to decide and vote it up or down. A recent poll taken by The Garden Island newspaper – it is still ongoing, asking if their readers want a County Manager; "yes," "no," or "maybe." Maybe some of you have seen the poll. Maybe some of you voted. With two (2) days of voting remaining, roughly five hundred (500) responded by a better than 2:1 margin said they wanted a County Manager. This suggests that most of our electorate would like to have the opportunity to see a manager proposal on the ballot next year. Please, Councilmembers, after you have completed your due diligence, put this on the ballot and let the citizens decide what they want. That is all we are asking, this Council does not have to decide. They do not have to decide whether you want it or not. You are the avenue though, that can get it put on the ballot for us to get the public just vote it up or down. That is all. I will come back for my other three (3) minutes. Thank you.

Council Chair Rapozo: Okay. Thank you. Next speaker.

Ms. Fountain-Tanigawa: Matt Bernabe.

Council Chair Rapozo: Is that the last one?

Ms. Fountain-Tanigawa: Yes, that we have.

Mr. Bernabe: I am lost. Which one are we on?

Council Chair Rapozo: We are on page 5 on the bottom, Committee of the Whole Committee Reports.

Mr. Bernabe: Page 5 at the bottom. Oh, I see it. I will reiterate. If we are going to put something on for our Charter Amendment, why do we not also ask the question would you rather have a County Manager or would you rather try the easier route of making the same requirements that we would require this manager be held by the people holding the Heads of the Departments like Human Resources? To me, that is a better analogy because if you are only going and saying, "Look, we want (inaudible) the Mayor and go this route," but you do not expose that there is an easier, less costly, less intrusive, less uprooting, and overall changing of the whole system. I do not think that is a fair question.

(Councilmember Hooser was noted as present.)

Mr. Bernabe: Take that in mind when you folks think about putting this on the County Charter because if you were to ask most people “would you rather go the cheaper route to get the job done or would you rather go the more expensive route to get the job done,” and you keep it simple like that, most people are going to say, “Oh, we want the cheaper route and get the job done.” I truly believe if we make it mandatory to have the qualifications for Department Heads as would a manager mind you, remember that. If a manager comes in, his first order of business is to vacate the seats that are not held by qualified managers and then fulfill those positions with qualified people. So, why do we not just go the easier route and make it already mandatory for whoever is the Mayor, that they have to hire somebody qualified. It is only common sense. If I was teaching this how to run my house, this is what I would teach my kids. Come on. Let us use some common sense.

Council Chair Rapozo: Thank you. Anyone else wishing to testify for the first time? Judge. Thank you for your patience. A long one right?

ALFRED LAURETA: My name is Alfred Laureta. At the outset, I will introduce myself and I will tell you that I am completely against the idea of the proposal to change the County Charter. First of all, let us understand and we know that the County Charter as it is now has been amended in many ways up until this time. As of last election, we had one (1) amendment made to the County Charter, and that was for the inclusion of the position of a County Managing Director. Those people who realize that if there is any challenges or unhappiness with the performance by the Mayor, the one thing they know is that he is working hard at his job and by golly, if he needs more jobs, we will give him a County Manager just like the Counties of Maui, Big Island, and the City and County of Honolulu. As far as I can see, try looking at the Charter and I am saying to myself, “What is missing?” For the members of the Council to do the job that they have been elected to perform, what do they need in order to accomplish what they are elected to perform, namely to do the work that the electors have asked you to do and they have given you the tools you need to do it. All I am asking now is if you have not gotten the tools, by golly, go ahead and amend the Charter that we have now. Thank you. May I come back again?

Council Chair Rapozo: You sure can.

Mr. Lauretta: Thank you.

Council Chair Rapozo: Thank you, Judge. Ken.

Mr. Taylor: Chair and members of the Council, Ken Taylor. A couple things, “if it is not broken, then do not fix it.” Well, we hear often that the current system give us checks and balances. It has become more and more apparent that there are no checks and balances, and you know. As past Chair Furfaro said, you control the money. But once you turn the money loose to the Administration, you lose complete control of it. That is not checks and balances. What we saw just recently on the other agenda item, that is not checks and balances. Under a management style of government, there is no over there. The buck stops at your table. That is why it is important to have the management style of government. I said earlier that the manger would come in and get rid of all of the unqualified Department Heads. I really do not know that would be the case. I think he would try to work with the team that exists, and if they cannot perform, then he would be looking at making some changes. But a good manager just would not make wholesale changes without first trying to work with the team he has. I think those are

important issues to know and understand. I think the people of this County have every right to have an opportunity to vote on this one way or another whether you folks agree or disagree with the process. The important thing is to give we, the people, the opportunity to make the decision as to how the government structure should be. I think you owe it to your constituents to move in that direction and give them an opportunity to let you know which way they would like to go. If they feel that there are no problems today with the current system; everything is fine, efficiency, accountability, transparency, and continuity is there in place, no problem. You vote "no." But if you find any one of these things are missing in today's government structure, then a "yes" vote would be in order. It is really up to the people to make that decision. Thank you.

Council Chair Rapozo:

Thank you. Next speaker.

Mr. Rosa: Good afternoon members of the Council. For the record, Joe Rosa. Well, like I said previously at one of the meetings, I would like to see the management style of government come in because it is going to bring back accountability which is really lacking in this County system for the past four (4) years or so.

(Councilmember Kualii was noted as not present.)

Mr. Rosa: We appointed an Auditor, he did his job, but yet nothing was fulfilled as far as letting the public know the outcome of those audits. The management style of government will put people basically for the manager himself with a Business degree from college so that we can have accountability.

(Councilmember Kualii was noted as present.)

Mr. Rosa: Also, you will have people in positions that just do not hold a flag during election time get a job that do not qualify for the job. Those are the things that has been going on. You have engineers that can do the job, but they do not do it. They get consultants; electrical consultants, and mechanical consultants. We have mechanical engineers in this County and we have electrical engineers, but they are not accountable in doing a job. Those are the kinds of things that I notice that I would like to see in a management type of government so that it is managed like a manager. If you have a company and your manager does not do the job, you bounce them out. You get somebody else. You do not have to wait. It is accountability that is lacking.

We had an Auditor, he did eight (8) audits. Only two (2) were sort of made public. Where is the rest of the six (6)? The County Council approved and spent money to have those audits printed and yet nothing was done to notify the public of the outcome. Afterwards, I hear they hired another auditor and these auditors sat here and said that some of those things have not been changed yet from the previous audits that was done by the County Auditor at that time. With the management style type of government, I think that we will turn things around. Like the Judge mentioned, if there is something wrong, you go and change the Charter. You put an auditor by way of the Charter change and you got an Auditor. He did his job, but there was none.

Council Chair Rapozo:
three (3) minutes.

Okay Joe, I have to stop you. That is your

Mr. Rosa:

Yes. Okay, I will wrap it up.

Council Chair Rapozo: You can wrap it up on the next go around.

Mr. Rosa: Okay.

Council Chair Rapozo: Thank you. Ms. Parker, she tried two (2) times to come up and she got cut off. The trick is to sit in the front roll, Alice, next to the Judge.

Ms. Parker: Alice Parker for the record. Yes, I am in favor of a County Manger. As has been pointed out as you all know, the Mayor role positon is generally one of glad-handing and being able to forge a wining campaign, which is fine if you also have the qualifications, experience, and knowledge to lead and to select qualified and competent Department Heads and people around you. Too often it goes to people who have been very hard working in the campaign, but who not necessarily know the jobs to which they are appointed. I think with a County Manager you can have Councilmembers running these arduous elections and you can also have somebody who has as foundation and the experience of running a business style of management in the County, and as has been pointed out, if he or she does not work you can toss the person. But with a Mayor, you have to wait until the next election and most of the population does not follow the grinding day-to-day details of running a County. Thank you.

Council Chair Rapozo: Thank you. Anyone else wishing to speak for the first time? Okay. Anyone wishing to speak for the second time? Hang on. Judge.

Mr. Laurretta: I would like to speak for the second time. One of the speakers before me had already said that there are no checks and balances. I completely disagree with him. There is checks and balance. You disagree with each other, but you do challenge each other and you do provide the check and balance as far as you are concerned. They have the check and balance with the Administration and with you. There is checks and balances there. Then, there is this one question and there is a lot of challenge about, hey, there are too many people working in the government and they are not qualified. How they got into the job? I do not know. I have been a cabinet member of one of the governors of Hawai'i. One thing I will admit to you, I do not know if it is a practice that any other Governor or even a Mayor uses. At the time that I am appointed to this position, I sign. I sign a little piece of paper that says I will resign from the position that I do not perform according to the way he expect me to do. That is one way you can keep people out of the job and out the government if he does not perform what he is supposed to do. Then, the next question is there has always been a presentation saying we want this idea of new government being submitted to the people for them to decide this. I agree with them completely. Number one, we had the Commission that has already gone through whatever has been presented to them to look over with respect to this new form of government. They have gone to you and asked you all to look this whole thing over and see if you can come up with an ordinance or something so that the people can look at it for them to decide. I say this, let the people decide at the next election. I think every candidate who runs for Mayor, one of the things that he will come out and say, "I am for a new government" or "I am against the government." Let the people decide at the ballot. I am for you or I am against you. Do you want the new Mayor or do you want a manger? Let the people decide. We have already gone through that. Thank you.

Council Chair Rapozo: Thank you, Judge.

Mr. Mickens: Okay. Thank you. Glenn Mickens again. Thank you, Mel. This is the testimony from Walter Lewis. You have a copy. I think

he sent it to you. "Congratulations to Councilmember Chock for his fine presentation of the cost and benefits of changing our County government structure to a County Manager form. The basic step of making the manager instead of the Mayor as the County's Chief Executive Officer is simple and easily understood, but there are a dozen or so, let us call them "options" that the County has in installing the complete system. For example, as Councilmember Chock pointed out, we could retain the arrangement we now have where about five (5) or six (6) Department Heads are appointed by and are responsible to a Commission or we could change so that some or all of those are appointed and overseen by the manager. I am sure you remember that Councilmember Chock. In my view, the sub-committee could facilitate matters by alerting the other Councilmembers to these choices and solicit their preferences. Any resolution of some of these options early on would help when considering the final package. We should also thank The Garden Island newspaper for conducting a poll about the Council Manager system, the results of which are expected to confirm the strong level of community support for making a change from our present system."

I suppose in all due respect to the Judge, I presume that those that are against the County Manager type of a government simply say there is nothing wrong with our system the way it is. I just hope you folks will continually read the letters to the editor, the people that talk to you, and everything all over the island. I am sure you are going to find out the dissatisfaction with the way we are going is not right; the traffic et cetera, and on and on. If you say as the Judge is saying, there is nothing wrong with the system, then you are obviously not going to want change. But I think in the real world if you look at things the way they are and you sat here today with the Administration going back and forth. You have not even okayed what they did. It is a problem, which again, would not happen under a County Manager system. Thing after thing keeps on coming up like this. All I saying is these are things for you to weigh. But again as Ken just said, the point is, let the people go ahead and decide whether they want a County Manger or not, okay? Thank you very much.

Council Chair Rapozo:

Next.

Mr. Bernabe: Matt Bernabe for the record. It is funny because I am not saying everything is okay. What I am saying is let us not overload the carburetor before we check the oil filter. That is all I am saying. There is a mechanism that has been around for a while now. We are just not using it correctly. That is all this really is. We are not using the power to insert the checks and balances that we speak of. Now, why is the argument to have the ability to have a recall election on the ballot if the public deems the Mayor is not doing a good job? Couple that with inserting the language that I disagree that if a manager comes in, he is not going to change the Department Heads because by that argument, what is wrong there? What are you really grumbling about? If these Departments are running so efficiently that the new person is going to keep everybody status quo as is, that lessens your argument of why we need a manager. The reality is the manager will come in and the very first thing he is going to do is he is going to make qualified Department Heads. I am a retired sous chef. I used to work in a kitchen. That is what you do. That is how it is done, big boys and girls. The reality is why do we not just make these Department Heads liable for their actions demanding them to have the credibility and dictating the language that sets the path that whoever is the Mayor cannot mess with, and then you insert that little thing called a recall election if the public really deems that the person is not doing. Right now, it is a very loud few, right? This is unfair to the next generation that does not know anything, but who might want to engage in this race. Do you see what I mean? These are people that have been entrenched in battle and they have not gotten down where they think they want to be and they want to overhaul the whole carburetor. I just think we have

to change the air filter. I will keep the analogies simple. When you go and fix your car, you do not just go and change the motor. You start from the cheapest and most simple thing and you work your way back. That is how a diagnostic works. I am just saying. Come on people. Come on.

Mr. Taylor: Chair and members of the Council, Ken Taylor. I just want to thank Councilmember Chock and his committee for bringing this forward and the work that they have done to-date. I know staff has done a lot of work behind the scenes in helping Councilmember Chock and his committee bring this information forward. So, I want to thank all of them for their efforts to-date and look forward to bigger and better things in the very near future. Thank you all.

Council Chair Rapozo: Thank you, Ken. Anyone else?

Mr. Rosa: Good afternoon again. Joe Rosa for the record. Before my time was up, I was going to emphasize and say that you come here, you work hard as a seven (7) member Council, and yet you make legislation and pass it, and then just worry and hope that when it goes to the Mayor that he will accept it, but a lot of the times he vetoes. Then you have to meet again and override his veto. With the manager type of government, you will have progress because you are going to settle it among all of you and the manager, who is a member of the Council. Those are the positive sides that I see that it need to be done to bring this County system like it used to be. Manage it and the Department Heads would know their jobs because they will have to qualify. If you need a civil engineer, you get a civil engineer not a mechanical engineer. That is the kind of things that is going on that you see around here. People are not qualified for the position in the Department of Parks and Recreation and in the Planning Department, you see all kind of people that come in that some of them you know that they are not qualified. They should lay their cards on the table so that they can see if they are really qualified for the position. Like the manager's office, you have the qualifications of being a Business Administrator. So, those are the kinds of things I look forward to that need to be done that can straighten some of the problems that we have in this County. The buck stops right here with you folks. I would like to see that it is put on the ballot because I know two (2) years ago, it was not put on the ballot because I heard statements going around saying, oh, the management type of government does not lack merit until we put it on the ballot and let the people vote on it. This time around, give the public the chance to vote and watch for the outcome of this coming Garden Island vote for the week for a County Manager versus a County Mayor system. Thank you.

Council Chair Rapozo: Thank you, sir. Anyone else wishing to testify for the second time? Sorry, only two (2) times Judge.

Mr. Laureta: I know. Can I just submit this petition that was given to the Commission a long time ago? I intended to make sure that you all have this.

Council Chair Rapozo: Yes sir. If we could have staff...

Mr. Laureta: May I?

Council Chair Rapozo: Yes. Thank you, Judge. Thank you very much.

Mr. Laureta: Thank you.

Council Chair Rapozo: Anyone else wishing to testify?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Further discussion on the Committee Report? I do want to say thank you. I missed it last week and I heard it went well. Thank you all for your participation.

The motion for approval of the report was then put, and carried by a vote of 6:0:1 (*Councilmember Kagawa was excused*).

Council Chair Rapozo: Motion carried. Let us take a caption break right here. We are five (5%) minutes out. That is fine. We will do a ten (10) minute caption break and then we will be back and hopefully wrap this up.

There being no objections, the meeting recessed at 3:26 p.m.

The meeting reconvened at 3:39 p.m., and proceeded as follows:

Ms. Fountain-Tanigawa: Chair, this is on page 6, Bills for First Reading.

Proposed Draft Bill (No. 2602) – A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2015-796, AS AMENDED, RELATING TO THE OPERATING BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE CRIMINAL ASSETS FORFEITURE FUND (*Kauai Police Department, KPAL Youth Center/Interim KPD Training Facility – \$300,000.00 (Operating Budget)*): Councilmember Kualii moved for passage of Proposed Draft Bill (No. 2602) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for December 2, 2015, and referred to the Budget & Finance Committee, seconded by Councilmember Yukimura.

Council Chair Rapozo: Thank you. Any discussion? Councilmember Yukimura.

Councilmember Yukimura: Yes. We did not have any discussion and the Police were not here today, but I presume they will be available in Committee because this is a lot of money. So, we would want to get the justification.

Council Chair Rapozo: They do have a presentation. I guess Scott told me that they were on their way and we had already voted on the Communication. So, we can just let them know. They will be here with the presentation at the Committee Meeting.

Councilmember Yukimura: Okay.

Council Chair Rapozo: Any public testimony?

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Roll call, please.

The motion for passage of Proposed Draft Bill (No. 2602) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for December 2, 2015, and referred to the Budget & Finance Committee was then put, and carried by the following vote:

FOR PASSAGE:	Chock, Hooser, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 6,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Kagawa	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: Next item.

Proposed Draft Bill (No. 2603) – A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2015-797, AS AMENDED, RELATING TO THE CAPITAL BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE GENERAL FUND CIP (*Kauai Police Department, KPAL Youth Center/Interim KPD Training Facility – \$300,000.00 (CIP Budget)*): Councilmember Kualii moved for passage of Proposed Draft Bill (No. 2603) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for December 2, 2015, and referred to the Budget & Finance Committee, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Thank you. Any discussion? Any public testimony?

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Roll call.

The motion for passage of Proposed Draft Bill (No. 2603) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for December 2, 2015, and referred to the Budget & Finance Committee was then put, and carried by the following vote:

FOR PASSAGE:	Chock, Hooser, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 6,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Kagawa	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes.

Council Chair Rapozo: Next item.

Proposed Draft Bill (No. 2605) – A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2015-797, AS AMENDED, RELATING TO THE CAPITAL BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE DEVELOPMENT FUND CIP (*Coco Palms Resort Development Use Permit Conditions – \$110,000.00*): Councilmember Kualii moved for passage of Proposed Draft Bill (No. 2605) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for December 2, 2015, and referred to the Budget & Finance Committee, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Thank you. Discussion? Public testimony?

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Roll call.

The motion for passage of Proposed Draft Bill (No. 2605) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for December 2, 2015, and referred to the Budget & Finance Committee was then put, and carried by the following vote:

FOR PASSAGE:	Chock, Hooser, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 6,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Kagawa	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes.

Council Chair Rapozo: Next item.

Proposed Draft Bill (No. 2606) – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, ARTICLE 9, KAUAI COUNTY CODE 1987, AS AMENDED, BY ADDING A NEW SECTION 5A-9.3, RELATING TO A HOMESTEAD TAX CAP FOR HOME EXEMPTION AND LONG TERM AFFORDABLE RENTAL PROPERTIES: Councilmember Kualii moved for passage of Proposed Draft Bill (No. 2606) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for December 2, 2015, and referred to the Budget & Finance Committee, seconded by Councilmember Hooser.

Council Chair Rapozo: Discussion? Councilmember Yukimura.

Councilmember Yukimura: Yes. I appreciate the initiative and creativity of this Bill. As I said during discussion on the Communication, there is a lot of complications to it, and I am going to be voting on it for first reading, but I do want to look at the situations. It was said on the floor that people are having to sell their homes because of the high taxes. If anybody has specific examples of this, I would like to see that. I would like that information to be provided. I am going to be asking for specific examples of the problem so that we might see if this is the best way to address the problem. But I first want to understand what the problem is in specifics. Thank you.

Council Chair Rapozo: Thank you. Councilmember Hooser.

Councilmember Hooser: Yes. I will obviously be supporting this measure. I think it is an important measure to put some protections in place for those that need it the most, people that live in their homes, and long term affordable rentals. I like what the Chair mentioned earlier about moving forward on the comprehensive review and would encourage the Chair or the Budget & Finance Chair to perhaps check again with the Department of Finance and/or move forward with a sub-committee with this in place knowing that it is going to take some time to do an actual review, and then once that review is done, it would take even longer and there are no assurances that that review would be implemented. But I think it is something that should move forward. Thank you.

Council Chair Rapozo: Thank you. Any other discussion?
Councilmember Chock.

Councilmember Chock: Yes. Thank you. I held my comments earlier. I just want to say that I will be supporting this on first reading. I do agree. The comprehensive reform that we spoke so much about has never occurred. It should and needs to whichever way, if the Council needs to be the one to initiate it and move forward. But I think that there also needs to be willingness from the Administration to move forward on it as well to come to some outcomes, which we have identified in the past and had lengthy discussions on everything from communication to how we attain lower assessments or using the CPI. But as in the past, I have not been supportive of placing the cap back on. For the inequities talked about, I have to say that I am moving more in a different direction. However, I think that it is a complex situation one way or another, and I think we need to look at every single aspect of it in order to move forward cohesively. Thank you.

Council Chair Rapozo: Thank you. Anyone else? Councilmember Kaneshiro.

Councilmember Kaneshiro: Yes. I know we heard a lot of talk of reform and for me just looking at it, it kind of makes me take a step back because I am not sure if we are talking about reform or relief. Are we trying to reform our entire tax system or are we just trying to provide relief for a certain section, say homestead users or residents? I am a little hesitant on reform because I think we have seen it in the budget. We have seen it many times. You look at the pie chart of our taxes and the assessed value of the Homestead and Residential is really big on the pie. But when it comes to how much we pay, it is a lot smaller because we provide relief, we provide exemptions, we provide programs, and by making that part smaller, you make the tax burden on everybody else; Commercial, Industrial, and Hotel. When we talk about tax reform, we have to look at the pie again and say, "What is the reform?" Are we going to try and keep making that tax burden smaller? Are we going to try and spread it out? I do not know how the chips will fall. Just from this past meeting, you heard a lot of things, there is a lot of different options, everyone pays the same amounts, we all get the same services, and everyone pays the same amount. I do not know how those chips would fall if we went to that. You pay based on affordability. If you can afford to pay the taxes, you pay it at whatever rate it is. If you cannot, then we implement a program. You hear a lot about California Proposition 13, you hear cost methods, and sales price. There is a bunch of things we can look into. But I do encourage people that had a drastic increase to E-mail us and let know what their situation is and what their address is so we can look at their Tax Map Key (TMK) because I went through and looked back. I looked at my own house, I looked some of my family members, and their real property taxes now are actually

lower than what it was in 2013. Market value is a lot higher, but we also added larger exemptions. So, we kept the actual tax base down. It will be interesting to see how everything goes. I am sure we are going to have a lengthy discussion on the impacts of this cap.

Again, I am a little hesitant on a cap because I think you see it happen. We are torn between two (2) things; one is we want to try and protect local homeowners that have been in their house for a long time, and then you have another thing another thing where we want to protect equality. You do not want to be paying higher taxes than your neighbor. We get caught in this situation where we make it equal, everybody pays more, and then people want a cap. You cap it, then the inequality goes on. In five (5) or ten (10) years, you are going to have this gap again. What do you do? Do you cap it again? There is no easy fix to this. It is going to take a lot of will. I know taxes are a sensitive issue. But it will take a lot of will to say what we want to do. Do we want to continue and have the inequity and cap? Do we want to make it fair although people may be paying a higher tax? Is there another way? I am not sure. It is really hard to say. You have a lot of tools that you can use. You have the assessed market value, you have the tax rate, you have exemptions, and you have other programs. So, there are a lot of things that go into what you ultimately pay. Again, we just have to take everything into consideration and make sure it makes sense. It is going to take a lot of will to try and figure out a system because I think no matter what we do, we are going to have some people that are happy and some people that are not happy. But I think what we are trying to do is get some level of fairness or practicality in how we assess people.

Council Chair Rapozo:

Councilmember Kualii.

Councilmember Kualii: Yes. Without repeating a lot of what has been said, I agree mostly with what Councilmember Kaneshiro has just said, reform versus relief. I agree too with Vice Chair Kagawa's statement and some others who have talked about Band-Aid fixes and how we need to do something that would be meaningful, lasting, and comprehensive. I particularly have a concern for long-time families who stay in their homes and the homes remain in their family. I know some families now, they are benefiting because the *kupuna* who are still in the house have the long-term exemption, but when they pass away and maybe the grandchild that is living with them and just starting out, they will lose that exemption. They will continue to have the living in the house exemption, but the added help of the household with the senior exemptions would be gone. Homes that stay in families for long time, they are far from being involved with speculating anything like that. I am in the middle on this, I will be looking at it a lot further, and I want to hear from Real Property Tax and the Administration.

Council Chair Rapozo:
Yukimura.

Thank you. Anyone else? Councilmember

Councilmember Yukimura: There is another way than this Bill, and that is increasing the property exemption which really helps the middle class long time families. We have the low income credit, I think, and quite a few. As someone who has been involved in at least three (3) waves of property tax reform, I am feeling we have gotten close to it and we need to know how it is not working and work on fine-tuning it. But I am open to somebody doing a great reform. I have just seen reform efforts go on for several years and then never get passed. Then we will have this cap, which as our Budget & Finance Chair has mentioned, will just keep increasing the discrepancy between very similarly situated properties and increase the political pressure not to remove the cap. So, that keeps us farther and farther

from real reform and real equity, and that does not work well. We have to really think a lot about this proposal.

Council Chair Rapozo:

Thank you. Councilmember Hooser.

Councilmember Hooser: Just a brief follow-up. I have given this a lot of thought and talked to a lot of folks about it, and a big part of it is protecting people from values that just go up and up. You live in your home in your neighborhood and you have not sold or you do not sell, and somebody in your neighborhood just sells it over and over again. One (1) house changes hands year after year driving everybody's values up, and then your property taxes goes up and up. So, that is probably the primary intent. The other aspect of it is the ability to raise it for the cost of living is a reasonable one, I believe. Government just keeps growing and growing, and they have new people move into town or they need more roads with more people. Those costs should not be borne, in my opinion, by the people who have lived in their house forever and ever. It should be borne by the people who are living in the new projects that are requiring these new roads and these new services. In a sense, it has a containment of government expenses component to it because if everything was static, if there was not new people moving in and the need for new services, there would not necessarily be the need for more spending beyond the cost of living. If the cost of fuel goes up or the cost of materials goes up, fine. It is part of the cost of living. Let us pass that onto property owners. But other forms of growth is upon needs and wants, I think. So having a cost of living adjustment, I think, makes it reasonable. I am looking forward to the discussion we are going to have in the future on this also. Thank you.

Council Chair Rapozo: Anyone else? If not, I do not really think we have a choice right now. I think that the way some of the people are being affected, I know I have seen enough from the few people that have submitted their situations to us. I think what I am looking for is some kind of stability for the taxpayer, that they are just bombarded with these increases. The market is volatile right now and again, your neighbor sells their house for six million dollars (\$6,000,000), why should that affect your tax? Did you level of service change? Absolutely not. In fact, one would argue that the services have been reduced over the years. That is just the way it is, and yet, the tax bills continue to go up. I think the cap did provide the stability and ironically, the cap was removed because it created inequities. But as we saw, we have to put it back to get rid of inequities. Councilmember Kaneshiro's examples, and when we went through the discussions when we talked about the cap the last time, there was graphics put on by Mr. Bynum that said, "Yes, some people are going to pay more, and some people are going to pay less." Councilmember Kaneshiro, you are one of the lucky ones that the removal of the cap brought your taxes down, but there was some that went up tremendously. I mean, much more than they could afford. That is with the Band-Aid. When you tweak one (1) thing, it affects another valve somewhere else. So, what we have to do is look at the whole thing. I think we have to look at the whole thing. There are so many options, I think, that we have to look at. Again, I think that this body is obligated to do so. If the Administration is not going to take a look at it, then I think we need to. Really, if you live in your home for fifteen (15) or twenty (20) years, I think you should have some advantage as far as paying your taxes. The difference is when a new person comes in to purchase the home when they meet with the mortgage advisor and they meet with the real estate agent, this is the cost of the house, this is the property tax for this house, and it gets incorporated into the mortgage. That is their choice. What I envision happening is maybe the forty-four million dollars (\$44,000,000) sale would not be affected because the person has so much money. If it is based on the sale price, maybe one of the byproducts of going down that route would be lower real estate costs because realtors

are going to have to adjust their price down so that buyer can afford the property tax. I am not talking about the mega-millionaires that do not care because they can afford it. But I am talking about the regular people, three hundred thousand dollars (\$300,000), four hundred thousand dollars (\$400,000), five hundred dollars (\$500,000), six hundred thousand dollars (\$600,000) homes. Maybe they qualify for the purchase price, but not the property tax. So, they have to revisit and do a counter offer so that the property value is less so the property tax is less. There is just a lot of things to look at, and I think it is our duty to do so. That is hopefully the plan. As far as the cap, I do not think we have choice at this point. I think we have to stop the bleeding. You only do that with a Band-Aid. We have to make sure we revisit so that we can make sure the cut does not open up again. That is just the way I look at it. With that, roll call.

The motion for passage of Proposed Draft Bill (No. 2606) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for December 2, 2015, and referred to the Budget & Finance Committee was then put, and carried by the following vote:

FOR PASSAGE:	Chock, Hooser, Kaneshiro, Kuali'i,	
	Yukimura, Rapozo	TOTAL - 6,
AGAINST PASSAGE:	None	TOTAL - 0,
EXCUSED & NOT VOTING:	Kagawa	TOTAL - 1,
RECUSED & NOT VOTING:	None	TOTAL - 0.

Ms. Fountain-Tanigawa: Six (6) ayes.

Council Chair Rapozo: Next item, please.

BILLS FOR SECOND READING:

Bill No. 2597 - A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. B-2015-796, AS AMENDED, RELATING TO THE OPERATING BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE HIGHWAY FUND (*Puhi Road 20% County Match (Operating Budget) - \$268,000.00*): Councilmember Kaneshiro moved for adoption of Bill No. 2597, on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Kuali'i.

Council Chair Rapozo: I have just been advised that I did not take public testimony on the last Bill. With that, let us hold off on the Second Reading Bills. Let me suspend the rules and we will take the testimony. Sorry about that. I am just getting ahead of myself.

There being no objections, the rules were suspended to take public testimony.

Ms. Sakamoto: Tina Sakamoto. Thank you for the opportunity to speak on Proposed Draft Bill (No. 2606). In my first reading of this proposed Bill, a few things came to mind. But because of brevity of time, I only want to address one (1) issue regarding the homeowner occupied property regarding the affordable rental properties. Currently under the definition for homestay, the applicant must be owner-occupied property and they will get the homeowner exemption. So, there seems to be an inequity because if you have the homeowner exemption applying to a homestay, which serves a transient population, and you have another homeowner exemption with a long-term providing homes for local residents,

there is an inequity because they would still be enjoying that same tax rate, I would assume. To equal that out, I hope you consider excluding the homestay or if there is a homestay, then applying the Transient Vacation Rental (TVR) tax rate to it. Thank you.

Council Chair Rapozo: Thank you. Anyone else? Thank you very much. I apologize, Tina, for skipping the public testimony on that.

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: With that, we are back to Bill No. 2597. Any discussion? Any public testimony?

There being no objections, the rules were suspended to take public testimony.

There being no one to provide testimony on this matter, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Roll call.

The motion for adoption of Bill No. 2597, on second and final reading, and that it be transmitted to the Mayor for his approval was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kaneshiro, Kuali'i,	
	Yukimura, Rapozo	TOTAL – 6,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Kagawa	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes.

Council Chair Rapozo: Next item.

Bill No. 2598 – A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. B-2015-797, AS AMENDED, RELATING TO THE CAPITAL BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE HIGHWAY FUND CIP (*Puhi Road 20% County Match (CIP Budget) - \$268,000.00*): Councilmember Kuali'i moved for adoption of Bill No. 2598, on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Any discussion? Public testimony?

There being no objections, the rules were suspended to take public testimony.

There being no one to provide testimony on this matter, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Roll call.

The motion for adoption of Bill No. 2598, on second and final reading, and that it be transmitted to the Mayor for his approval was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kaneshiro, Kualii Yukimura, Rapozo	TOTAL – 6,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Kagawa	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

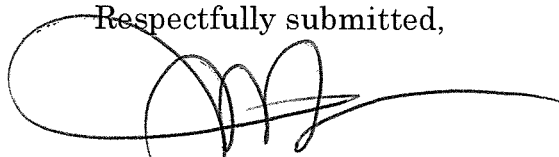
Ms. Fountain-Tanigawa: Six (6) ayes.

Council Chair Rapozo: Thank you. With that, that concludes today's business.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 4:02 p.m.

Respectfully submitted,



JADE K. FOUNTAIN-TANIGAWA
County Clerk

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